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East Europe Report

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EAST EUROPE REPORT

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FARM COOPERATION COUNCIL STRESSES ROLE OF COMMERCIAL CONTRACT

East Berlin BAUERN-ECHO in German (supplement No 371) 6 Aug 85 pp 697-698

[Article by Dr Gerhard Greiner, contract judge and department head at the State Contract Court of the Council of Ministers of the GDR: "What Importance Have Commercial Contracts for the Work of Cooperation Councils?"]

[Text] The LPGs and VEGs of plant and animal production are linked to each other by a natural correlation in the uniform reproduction process of soil --plant--animal--soil. Organization of these cooperative relations by the LPGs and VEGs determines to a decisive degree production and its effectiveness. The Central Committee's report to the 10th SED Party Congress states: "The organization of cooperation is to serve to perfect the working together of LPGs and VEGs with their partners to their mutual advantage. All proven forms of cooperation should be continued . . .This concerns the cooperation councils of plant and animal production in particular, who have to ensure effective cooperation in the uniform reproduction process." (Footnote 1) (Report of the SED Central Committee to the 10th Party Congress of the SED, reporter Comrade Erich Honecker, Dietz Verlag, Berlin 1981, p 76)

Practical experience has proven that cooperation is the proper way for comprehensive implementation of intensification which will open up new forces of production and effectiveness development over a long period of time. (Footnote 2) (See Musterkooperationsvereinbarung Model Cooperation Agreement , GBl I, No 17, 5 July 1985) Intensifying cooperation is therefore an essential precondition for continued successful implementation of the SED's economic policy.

On the basis of Article 12 of the LPG Law, and for an effective organization of the uniform reproduction process of plant and livestock production within the cooperation, LPGs and VEGs delegate to the cooperation council rights and obligations to take responsibility for carrying out joint measures of management, planning and economic accounting. The extent of authority delegated to the cooperation council depends on the concrete state of development. As legal forms for regulating cooperation relations, the government has recommended that LPGs and VEGs apply the statute, the cooperation agreement and the commercial contract (Article 16, paragraph 1, LPG Law).

In practical terms of LPGs and VEGs working together in cooperations, the cooperation agreement has taken on special significance. It contains the goals of joint cooperative work, rights and duties of the cooperation partners, management forms of the cooperation, powers of the bodies, representation in legal relations, and the principles of cooperative work. The experience collected so far was incorporated in the model cooperation agreement. (Footnote 3) (op. cit.)

An equally important role is played by the commercial contract in organizing and implementing cooperation relations within the cooperation. For example, the cooperations have master contracts for delivery of fodder and organic fertilizer, which are put into specific terms in annual contracts, taking into account the plans of the cooperating enterprises and the plan of the cooperation.

The model cooperation agreement specifically confirms the role and position of the LPGs and VEGs of plant and animal production as the basic units of agricultural production. Legal autonomy and economic self-responsibility are essential conditions for working together in a comradely fashion to master the uniform reproduction process, to utilize production and effectiveness reserves, and to ensure a stable development of all partners on the basis of one's own performance.

The cooperation council as elected body of the cooperation partners among other things carries out delegated tasks in the area of cooperation relations. (Footnote 4) (op. cit.) Based on state target indices and the long-term development concept of the cooperation, it must establish the plan of the cooperation of the LPGs and VEGs and assign tasks to the cooperation partners to establish their own operating plans. With the defense of the operating plans and the ensuing conclusion of a contract, the cooperation council ensures the unity of the "plan of the cooperation of the LPGs and VEGs," the operating plan, and the contract.

The sphere of influence of the cooperation council concerns not only intra-cooperative contracts (fodder, fertilizer), but also contractual relations with partners outside the cooperation resulting from the tasks contained in the operating plans of the LPGs and VEGs regarding the delivery and purchase of products (milk, meat, potatoes, machines, investments, etc.).

The control duties of the cooperation council also imply that it must deal on a regular basis with the state of plan and contract fulfillment and must take appropriate measures in case of failures. The commissions can be given certain tasks to assist in this work. It proved effective to have the commission on fodder exercise control over the fulfillment of the fodder contract, make decisions concerning failures or for better fulfillment of the contract, and prepare decisions for the cooperation council.

For instance, at the Cooperation Sprotta, kreis Eilenburg, deviations were found regarding hogs in the monthly assessment of plan and contract fulfillment. As a consequence, the cooperation council ordered a temporary redistribution among the partners to ensure the necessary total yield. This avoided delivery of slaughter animals with insufficient weight. (Footnote 5) (See Taubert, Kaufmann, Walter: How the Sprotta Cooperation Council Carries Out its Responsibility for the Uniform Reproduction Process, KOOPERATION No 11/1984, p 491)

To deepen cooperation relations, the cooperation council also is in charge of the following tasks, which are of importance for the conclusion and fulfillment of contracts:

--Coordinating forces, means, funds and labor to fully utilize the available potential for a high performance increase;

--Determining basic proportions and performance goals, especially in order to overcome unjustified differences in levels of production and effectiveness;

--Organizing joint measures of scientific-technical progress, and bringing about the comprehensive use of the concepts of highest yield and highest performance;

--Planning investments, and carrying out joint investments;

--Organizing economic relations, and developing business administrative regulations (agreed-upon prices, delivery and performance conditions of fodder and organic fertilizer, mutual assistance with labor, machines, fixed assets, etc.). (Footnote 6) (Compare Model Cooperation Agreement, op. cit.)

In practical experience, the commercial contract has proven itself as an instrument of incentive. This is also expressed in the model cooperation agreement. In Paragraph I No 3, the conclusion of commercial contracts by LPGs and VEGs is called an important expression of legal autonomy and economic self-responsibility. It states further: "The cooperation partners form their delivery and performance relations in the cooperation also on the basis of commercial contracts."

9917
CSO: 2300/209

AGRICULTURE ROMANIA

DEVELOPMENT, MODERNIZATION OF ANIMAL HUSBANDRY

Bucharest REVISTA ECONOMICA in Romanian 4 Jan 86 pp 14-15

[Article by Gh. Georgescu and N. Severin, "Nicolae Balcescu" Agronomic Institute: "Features of the Intensive Development in Zootechny"]

[Text] In view of the importance that animal husbandry has for the national economy and for raising the standard of living of the working people, our party has devoted--especially after the ninth congress--special attention to organizing and developing modern, large-scale zootechny that would provide high outputs of meat, milk, eggs, etc.

The Growth in the Degree of Industrialization

Today, big and modern state and intercooperative enterprises for raising and exploiting various species of animals are sensibly distributed throughout the country. They represent the backbone of zootechny, model units from all viewpoints, simultaneously representing for the respective zones centers for promoting scientific research and the improvement of the breeds of animals, both for the IAS's [state agricultural enterprises] and CAP's [agricultural production cooperatives] and for the farms of CAP members and the private farms.

The exploitation of species once considered "Cinderellas" of zootechny has had wide development in recent 5-year periods. Such is the case of chickens and turkeys, for instance, and in the context of the growth and diversification of animal production, the raising and exploitation of other species (hares, coypus, minks, and so on) are raising their percentage in the agrarian economy.

The organization of the zootechnical enterprises is conceived on the principle of the concentration of populations and the specialization of farms, which has many advantages; being in fact attributes of the growth in the degree of industrialization, in these units, the routine, intuition, and "eye" of the breeder are being replaced more and more by modern methods of establishing the optimal solutions and decisions. More and more, the chief accountants are involved in the records of the productive performances of the animals and of the market conditions, with a view to decisionmaking.

Animals with high productive and reproductive performances, imported or improved in the country, populate modern stalls, with a controlled and directed

microclimate for some species. Very subtle husbandry technologies, devised on the basis of thoroughly knowing the animal organism's requirements and its physiological and behavioral reactions, are applied with a view to obtaining outputs as close as possible to the high genetic potential. An entire industry for making technical equipment for the zootechnical sector has come into being, with the high degree of mechanization and, sometimes, automation providing high precision in applying the technologies and raising the labor productivity. For some species, such as hogs and chickens, the labor productivity--as a result of the high degree of mechanization, the scientific organization of labor, the high productive performances, etc.--rivals the labor productivity in the more profitable industries. The industry producing mixed feed for hogs, poultry and other species has been developed.

Networks for improvement, selection, hybridization, and reproduction of animals, which achieve biological material competitive on a world level, have been set up. It is worth bearing in mind that, at present, only hybrids of chickens are exploited, which represents one of the most notable practical applications of genetics in zootechny. The exploitation of hybrids also extends to other species, such as ducks, turkeys, rabbits, etc. Illustrating the spirit of foresight for the further development of animal husbandry, "gene libraries"--veritable "banks" for storing and preserving genes, the genetic endowment for future generations--have been set up for various species. The gene library at the Constanta IAvS [State Poultry Enterprise] is one of the few in the world of its size, concerns, and achievements. The preparation and application of highly effective programs and technologies regarding veterinary-health prophylaxis and the production of highly effective drugs, serums, vaccines, and other preparations play a prominent role in the reduction of mortality and the obtaining of high performances.

Zootechnical scientific research has grown strongly, in institutes specializing in species and some special problems of general importance. In fact, the researchers in these scientific units, together with the teaching personnel from higher education, represent "general staffs," which, through interdisciplinary scientific research activity performed on the basis of programs of national or specific interest, improve the productive performances of the animals, optimize the reproduction, the feeding, and the husbandry technologies, and substantiate and work out all decisions for action. Clearly, the research on the production and preservation of fodder and the veterinary scientific research, meant to provide healthy animals for exploitation, go along this line.

For some species, such as hogs, chickens, turkeys, and so on, the high level of technical equipping of the enterprises, the application of technologies devised on the basis of new gains in science and technology, the use of operational research, the steady delivery of products throughout the year, the scientific organization, planning, and management, the high labor productivity, the methods of prospecting the market and forecasting, the multilateral training of the work force, the improvement of the production relations and social relations, etc. have imparted the attributes of industry to the raising of the respective species and have turned it into a variant of industrial activity.

Higher Levels of Outputs

On the instructions of Comrade Nicolae Ceausescu, animal husbandry has made great strides on the farms of the CAP members and on the private farms in areas without cooperatives. Enjoying many advantages, from obtaining animals with a high production potential, technical equipment, and technical assistance from the state, to securing the utilization of the products through contracting with the state on stimulative terms, the respective categories of producers contributed to the centralized supply and the market supply in 1983 about 49 percent for meat, 72 percent for cow's milk, 49 percent for wool, 58 percent for eggs, and 91 percent for honey.

The zootechnical sector's development is reflected clearly and convincingly by the following data. The animal populations in 1984 were higher by 36.8 percent for cattle, 167.4 percent for hogs, 40 percent for sheep, 197.5 percent for poultry, and 39.6 percent for bee families than in 1966. Regarding the average outputs per animal, in 1983 they were higher by 28.1 percent for the commodity output of milk, 21 percent for wool, 76.2 percent for eggs, 56 percent for honey, etc. than in 1965. As a result, the gross outputs in 1983 were higher by 112.5 percent for all meat, 22.6 percent for beef, 110.1 percent for pork, 426.1 percent for poultry, 45.9 percent for sheep, 67.2 percent for cow's milk, 55.7 percent for wool, 193.5 percent for eggs, and 91.8 percent for honey than in 1965. It is worth pointing out the fact that the growth of the outputs in general was due particularly to the improvement in productive performances.

The rise in fodder resources made a remarkable contribution to obtaining these results. If we refer just to cultivated fodder plants, one notes the fact that from 1965 to 1983 the production of the various crops rose by 284 percent on the average and the amount of fodder per head of cattle rose by 212 percent on the average. Considering that the area cultivated with fodder plants fell by approximately 4 percent during the respective period, it follows that the improvement in fodder resources was achieved exclusively through the intensification of the agrotechnical methods and the use of cultivated seed. The 4 million hectares of natural pastures and meadows in the hilly and mountain zone, toward which the center of gravity of cattle and sheep raising is shifting more and more, must also be added to the production of cultivated fodder.

In 1983, due to the growth in populations, average outputs per animal, and gross outputs, zootechny's percentage in agriculture, expressed by the value of the gross output, was 44.2 percent, that is, 20.1 percent higher than in 1965. This means that, although the achievements are quite remarkable, there is still much to do, because it exceeds 50 percent in the developed countries.

The development of zootechny had as a result the growth of the per capita annual consumption by 84 percent for meat, 41 percent for milk, 151 percent for eggs, 200 percent for honey, etc. from 1965 to 1983.

Highly Qualified Specialists

The successes achieved in animal husbandry would not have been possible without qualified specialists. After the attempt, initiated in 1962, to train

specialists with a very broad grounding--both for the exploitation of animals and for the protection of their health--the objective necessity of specialization in the following professions, a necessity generated by the extreme complexity of intensive-industrial animal husbandry, resulted beyond a shadow of a doubt within the social division of labor: the zootechnical engineer, who is the engineer of the animal "industry," and the veterinarian, who provides healthy animals for exploitation. As a consequence, zootechnical education--secondary and higher--was reorganized.

The zootechnical engineer is a specialist armed with a high scientific conception and technological, organizational, and economic thought, which confer on him the capacity to organize and manage in big enterprises of an intensive-industrial type the processes of reproduction, raising, exploitation, and improvement of huge populations of animals and to assume engineering responsibilities in the research and planning of the devising and optimization of the technologies and their technical components, for increasing the outputs and the economic efficiency.

Today, 234.8 percent more zootechnical engineers and 96.8 percent more zootechnical personnel with secondary training work in agriculture than in 1965.

Greater Tasks in the Current 5-Year Period

The directives of the 13th RCP Congress provide for the 1986-1990 5-year period tasks and measures that would further provide, in the context of the new agrarian revolution, the intensive development and the modernization of zootechny and the speedup of the growth of animal production through the better organization and use of the material base and the application of advanced achievements and technology.

The improvement of the material base and of its exploitation, the raising of the birth rate and the lowering of the death rate, and the consolidation of fodder resources will create conditions for the populations to reach 11 million cattle, 15 million hogs, 28 million sheep, and 80 million egg-laying poultry at the end of the 5-year period, thus being up to 26 percent higher than in 1985, depending on the species. Big rises in the average outputs per animal--under the conditions of the reduction of material and energy consumptions--are also planned, to which the genetic improvement of the populations will also make a big contribution. Ultimately, all these things will have as an effect the growth of the total production. The total production in 1990 will be higher by 38-41 percent for meat, 46-51 percent for cow's milk, 12-19 percent for eggs, 27-35 percent for wool, and 26-33 percent for honey than in 1981-1985. Sericulture and pisciculture too will undergo significant development, with the output of silk cocoons being 15,000 tons and the output of fish from inland waters being 185,000-200,000 tons in 1990.

The experience and competence of the workers in zootechny and their self-sacrifice represent the guarantee that these tasks will be fulfilled, so that animal husbandry's percentage in agriculture will exceed 50 percent.

12105
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SOCIALIST ALLIANCE MEETING ON AGRICULTURAL PROBLEMS

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 24 Feb 86 pp 10-11

[Excerpts] At a marathon meeting on 19 February of the Federal Conference of SAWPY on the socioeconomic development (lagging) of agriculture and the rural community, delegate Martin Ban noted (and he was not refuted) that farmers are not represented in decisionmaking on agriculture; in fact, others, not farmers themselves, are dealing with...the problems of agriculture.

The new plan calls for a 5-percent increase in agricultural production (an increase of 4 percent was planned for the previous period but production actually rose by less than 1 percent). Only one thing is certain now on the eve of spring planting, namely, that it will be the most expensive planting period up to now--seed, fertilizer, and fuel will be more expensive, and it was noted that this year a large number of farmers will turn to producing for their own needs only because producer prices and interest rates are so high. Last year the total cost increase for farmers was 82 percent, while the price of farm products increased 32 percent.

Turning its attention to the associating of farmers, the SAWPY meeting noted that about 12 percent of farmers are associated, while about 70 percent have loose ties to the socialized sector through cooperation. It is believed that farmers lack the motivation to associate: Cedo Grbic believes that private farmers would associate, even with land, but only if association offered them a real chance to triple or quadruple their income.

It was noted that every year 33,000 hectares of agricultural land goes out of cultivation, totaling up to now over 800,000 hectares of uncultivated land. The number of farm households composed of older citizens is growing, as is the number of mixed households [farms with members working in towns and cities] and farms with ever-smaller land areas. Land plots should be enlarged but a method has not yet been established for this (althouth in some republics and provinces the leasing of uncultivated land exceeds the maximum [permitted]). Not much can be expected either in the socialized sector. Berislav Sefer believes that this sector could not efficiently cultivate an additional 3 million hectares [as published] even if all this land were ceded to it without compensation. This is, of course, only a hypothetical case, since it cannot acquire land without compensating [the owner] and the socialized sector has no capital accumulation for buying more land.

Cedo Grbic said that there are no real prospects for creating 50-100-hectare farm households soon, but this process should be made possible: the opportunity should be offered to anyone who wants to cultivate the land, to invest in it, and to carry out his obligations. The view prevailed at the meeting that there is simply no hope for agriculture if the village is not revitalized. In order to attract (or hold or return) young people and also specialists to the village, the village must be urbanized and its distance from city and cultural life must be compensated by earnings which will be high enough to hold youth on the land and attract specialists.

/8918
CSO: 2800/187

EAST-WEST TRADE DEALS REPORTED

Warsaw POLITYKA in Polish No 8, 22 Feb 86 p 15 supplement POLITYKA EKSPORT IMPORT No 4, Feb 86

[Article: "East-West"]

[Text] GREAT BRITAIN-USSR: The British firm, John Brown Automation, Coventry, will supply the USSR with an automated assembly line for the production and testing of large-diameter clutches (38 cm) that will be installed in late-model field combines. The completely automated, 15-station assembly line will make it possible to assemble a clutch unit every 15 seconds; the annual production capacity will be 185,000 units. Tracking the assembly line and final product quality control will be controlled by a computer system. The value of the contract is £4 million.

ITALY-CZECHOSLOVAKIA: The Czechoslovak enterprise, Tuzex (counterpart of Polish Pewex), ordered 500 cars, model Uno 45, from Fiat. These cars, together with 200 Ford Escorts and 200 Sierras, will be available through Tuzex in 1986.

YUGOSLAVIA-GREAT BRITAIN: During the last season, the Yugoslavian tourist bureau, Jugotours, noted record transactions in the sale of tourist services in Great Britain. British tourists spent a total of nearly 2.5 million days in Yugoslavia; this makes Yugoslavia the most popular site for summer holidays (next to Greece).

HUNGARY-GREAT BRITAIN: The Hungarian Institute of Market and Economic Research sponsored an agreement for exchange of information with the information service of the British weekly, THE ECONOMIST. Beginning this year, the international economic service, which includes basic economic indices from 84 countries, prepared by the British weekly, will be published in Hungarian.

ARGENTINA-CUBA: Argentina is participating in the expansion and modernization of the tourist base in Cuba. On the basis of a recently signed contract, the Argentine construction firm, Comarco, will begin construction of eight hotels, total value, $120 million. The agreement involves building one four-star and seven three-star hotels in the Cuban resort, Veradero, with a total of 2000 beds. Construction will take 5 years.

Financing is based on a 6-year credit granted Cuba by the Argentine Central Bank.

HUNGARY-CAPITALIST COUNTRIES: In 1985, the number of cooperative agreements signed by Hungarian enterprises with partners in western countries exceeded 500. Transactions based on cooperative agreements are valued at approximately $400 million annually, which is approximately 5 percent of the value of Hungarian foreign trade. Most of the agreements (213) were concluded with enterprises from West Germany; 61 with Austria; 39 with Yugoslavia; 30 with France; 24 with Switzerland; 20 with Sweden; and 13 with the U.S.A. The idea behind cooperative agreements is the purchase of licenses and "know-how," which is subsequently paid for by selling the products. Hungary is also trying to expand cooperation of the "joint venture" type with western enterprises. At present approximately 50 such agreements are functioning. To attract foreign investors, Hungary is also trying to simplify the procedures for granting licenses for this kind of activity and is granting significant tax relief. Foreign partners may at present hold the dominant share in investments. After a period of stagnation, in the last 2 years there has been greater interest on the part of western investors in this kind of cooperation.

AUSTRIA-USSR: The Soviet central bureau, Soyuzvneshstroiimport, signed a contract with the Austrian company, ABV, for reconstruction of a sports complex in Gudauri, Georgia. The Austrian firm will be in complete charge of the construction of a 300-bed hotel, four ski lifts and adjunct construction, as well as a mountain rescue station. All of the equipment and sports equipment for training will be supplied by Austria. The hotel will have a swimming pool and a gymnasium. Gudauri is located at an elevation of 2000 meters, 120 km from Tbilisi, the capital of Georgia. The sports complex will meet the requirements of centers for skiing congresses. The work is to be completed within 2 years.

EAST GERMANY-AUSTRIA: Both countries signed an agreement on environmental protection which includes an increase in information exchange.

AUSTRIA-EAST GERMANY: An Austrian-West German industrial consortium won in the bidding for the modernization of a petrochemical plant in Schwedt, East Germany. The Austrian state industrial concern, Voest-Alpine, will get 60 percent of the contract, the rest will go to Linde A.G. of West Germany.

EAST GERMANY-BRAZIL: On the basis of an agreement on the exchange of television programs between the television networks of both countries, Brazilian entertainment programs will be shown in East Germany, and German sport programs on Brazilian television.

U.S.-USSR: Caterpillar Tractor, an American concern that produces heavy machinery, will supply the USSR with 200 tractors and 39 pipe-laying machines, total value, $80 million. These machines will be supplied in the first quarter of 1986.

FRANCE-USSR: The Soviet central bureau, Avtopromimport, has ordered an up-to-date system, which will completely modernize the plants of the Moscow

factory that produces internal combustion engines. Renault is the seller, and the value of the system is 457 million francs. The contract will be fulfilled in 1987.

YUGOSLAVIA-TURKEY: The Yugoslav firm, Elekom, sold Turkey railroad control and signalling systems which will be installed on one of the internal rail lines.

YUGOSLAVIA-SUDAN: A vehicle producer known in Poland, the factory, Tam, in Maribora, will supply Sudan with 43 heavy trucks for the transport of foodstuffs sent to Sudan by the Arab countries to aid Sudan in its disastrous drought. The value of the Yugoslav contract is $3 million.

AUSTRIA-BULGARIA: The Sofia department store, ZUM, will be equipped with modern Austrian equipment that will facilitate serving customers and provide faster service. The firm, Umdasch Laden-Einrichtungen, is the supplier.

ITALY-EAST GERMANY: The concern, Montedison (Italy), signed a 5-year cooperative agreement with East Germany. According to this agreement, Montedison will sell chemical products to AHB Chemie Export-Import and will buy East German products. The agreement also covers transfer of technology, scientific exchange, and the possibility of building plants in East Germany.

HUNGARY-AUSTRIA: With the mediation of the Chemolimpex central office, the Hungarian firm, Medikemia, and the Austrian firm, Spray Color, signed an agreement for Medikemia to sell dyes to Austria to be used in producing aerosol packs.

GREAT BRITAIN-BULGARIA: Discussions between representatives of Bulgarian industry and contractors from the British firm, John Brown Engineers and Constructors bore fruit in the signing of an agreement for cooperation in the building of a factory to produce enzymes for the food industry and for pharmaceutical use. The factory is to be build in Katuniza near Plovdiv under the supervision of British specialists. Other western enterprises are expected to participate. The cost of the project is preliminarily estimated to be from £20 to £50 million.

2950
CSO: 2600/279

RECENT CEMA FOREIGN TRADE DEALS

[Warsaw POLITYKA in Polish No 40, 5 Oct 85 supplement POLITYKA EKSPORT IMPORT No 19 p 4]

[Text] NETHERLANDS--CZECHOSLOVAKIA: The Czechoslovak radio and television manufacturer "Tesla" has signed an agreement with the Dutch concern "Philips" for the purchase of compact disc players and video recorders intended for the Czechoslovak market. "Tesla" plans to shortly begin assembling "Philips-2000" video recorders and compact disc players to which particular parts are to be supplied by the Dutch.

DENMARK-KOREAN PEOPLE'S DEMOCRATIC REPUBLIC: Danish firm Flexpan has received an order for a delivery of equipment and machinery for a cement plant which is to be built in Phenian. The contract is valued at 65 million Danish crowns.

BULGARIA--GREAT BRITAIN: British concern APV International has entered into an agreement with the newly created Bulgarian enterprise "Bioinvest" in the area of cooperation of the "joint-venture" type. The common enterprise of the two firms created in Sofia plans to sell British biotechnological products in Bulgaria. This is the first "joint-venture" agreement between Great Britain and Bulgaria which resulted in the opening of an enterprise on Bulgarian territory. The British side owns 51 percent of the enterprise. Until now, APV has invested 100,000 pounds in this venture.

USSR--USA: The American firm Medical Technology Development Corporation Ltd., a subsidiary of the British firm "Eurdens," has purchased from the USSR a license for production of ellastic silicon-crystal eye lenses which has been perfected by the Moscow Institute for Eye Microsurgery. The same firm has previously purchased from the USSR a license for a method of sharpening of diamond knives used in microsurgery.

YUGOSLAVIA--AFRICAN NATIONS: The Yugoslav export-import enterprise "Jugoexport" will soon open a trade bureau in Dar-es-Salaam which is to be oriented towards promoting Yugoslav processed goods and increasing opportunities to purchase Tanzanian natural products (cotton, sisal, leather.) "Jugoexport" has 10 trade representations in developing countries, and export turnover is expected to reach 89 million dollars this year. "Jugoexport's" latest venture is its participation in the building of a plant in Gabon as a partner of the West-German firm "Salzgitter." The contract is valued at 2.5 million dollars.

BRAZIL--USSR: At a cost of 25 million dollars the USSR has purchased a large quantity of instant coffee. The lot of 28 million 100-gram jars will soon hit the Soviet market.

USSR--SWEDEN: Trade clearing between Sweden and USSR will be made in ECU's (Curopean Currency Unit). Sweden is the first country outside of the ECM which will use ECU's in trade with Eastern Europe.

12916/7687
CSO: 2600/52

ECONOMY CZECHOSLOVAKIA

COUNTERPLANNING INSTRUCTIONS 1986-1990 ISSUED

Prague HOSPODARSKE NOVINY in Czech No 51/52, 1985, p 6-7

[Unattributed article: "Worker Participation in Plan Formation; Guidelines for Counterplanning Implementation 1986-1990"]

[Text] We are publishing here Guidelines for Implementing Counterplanning, 1986-1990, which has been issued by the State Planning Commission [SPK] and the federal Ministry of Labor and Social Affairs [FMPSV] under agreement with the Central Council of Trade Unions, the Czech Planning Commission and the Slovak Planning Commission.

The adopted Principles of the CSSR Government and the URO concerning worker participation in the formation, implementation and controlling of the fulfillment of 5-year and annual economic and social development plans (CSSR Government Resolution No 270/1985) provide for the development of counterplanning as one of the basic forms of worker participation in management. For this reason a joint task of managerial and union organizations is to mobilize and utilize the creative energies, talents, knowledge and experience of worker collectives to uncover underutilized internal capacities for the improvement and fulfillment of, primarily, qualitative plan indicators, for increasing the efficiency and quality of all work, all in the interest of achieving national objectives.

Counterplanning is a technique for the formation of annual plans and is practiced in economic organizations in all sectors, with most of the activity centered in the internal divisions of these organizations. It is closely related to the application and further development of internal enterprise khozraschot.

In the interest of a unified approach by managerial and union organizations at specific levels of management the following guidelines are being issued to clarify the application of counterplanning.

I. The Objective of Counterplanning

1. Development of an annual plan using counterplanning is organized within the context of the resources, constraints, and restrictions established in state implementation plan for 1986-1987 and its breakdown for organizations

of the central link in management and for other organizations, as well as the restrictions set for 1988-1990 by the 5-year plan, and in some cases by the guidelines for drafting the state implementation plan [hereafter referred to as guidelines].

The basic principle is that when the resources requested in a counterplan proposal (including raw materials, other inputs, and products allocated at the level of the state plan, imports and investments) exceed those available a supervisory agency may adopt the counterplan only if the necessary materials can be procured from an organization's internal resources. For other raw materials, other inputs and products (the so-called items allocated at the level of central agencies, organizations in the middle ranks of management, and nonallocated resources) increased requisitions by organizations and agencies in the middle ranks of management are procured within the context of supplier-consumer relations. Any conflicts that may arise are resolved at the appropriate level of management, the highest permissible level being central sectoral organizations.

2. The objective of counterplanning is the more efficient valuation of inputs, the achievement of greater production efficiency, and more efficient construction and service activities. The focus, that is, is on the qualitative aspects of the capital replacement process and especially on a reduction in the material, energy and import intensiveness of production, on increasing labor productivity, the rapid implementation of R&D findings, the improved utilization of inventories and capital assets, on increasing use values and the quality of products, on increasing the efficiency of export production as well as domestic production, and on reducing completion times in the construction sector. In nonindustrial sectors the focus is on better satisfying public needs, with tasks specified for specific organizations by supervisory organizations.

3. The aggregate expression of improved qualitative indicators is an increase in adjusted value added or another indicator used to establish standards for wages resources (hereafter the "determinant indicator"), assuming that the following conditions hold true:

If an increase is being proposed in the determinant indicator by means of a reduction in materials costs, the only sort of acceptable counterplan is one where any increase is proportionally incorporated in profits. (An increase in the determinant indicator after deductions of amounts related to increased wage costs and contributions to social security should, for all practical purposes, be incorporated in profits).

The Principles of the CSSR Government and the URO provide that:

"If adjusted value added is increased by means of increased production or output, then a counterplan is considered productive if it also proposes:

a) in industrial sectors, a corresponding increase in export deliveries to the USSR and nonsocialist countries, to consumer goods inventories, or an increase in revenues from the general public (for local industry and

production cooperatives). Increased output earmarked for production consumption or for the formation of readily marketable inventories is evaluated in terms of the final point of this section (the Czechoslovak State Bank participates in the case of inventories); a precondition for the inclusion of such proposals in a counterplan will be already signed agreements for the marketing of this output. Whether or not this precondition has been met will be evaluated during the annual management analysis;

b) in agriculture, an increase in required contractual deliveries to the food industry, to consumer goods inventories and for export;

c) in construction, adherence to or improvements in designated indicators for regulating noncompleted construction;

d) in other sectors an increase in required output as specified by supervisory agencies.

With these objectives organizations, agencies of the central ranks of management, and central agencies specify the ways by which they will attain the needed improvements."

The above cited measures pursue the following objectives:

--assuring that increases in production are concentrated in priority use areas, which include exports to the USSR or to nonsocialist countries or deliveries to consumer goods inventories (in local production enterprises and service organizations and in production cooperatives revenues from the general public are understood as net services provided to the general population),

--assure that production in excess of the plan and designated for production consumption be marketed in some way so that there will not be an undesirable increase in inventories of finished goods.

4) When a proposed counterplan has been presented a supervisory economic agency studies the proposed contributions to be achieved by an increase in the determinant indicator in accordance with established conditions. If these conditions are not met the proposed counterplan is rejected.

II. Period of Counterplan Organization

1. In 1986-1987 counterplanning is being organized in conjunction with the upgrading of the tasks contained in the breakdown of the state implementation plan for agencies in the central ranks of management and for organizations in their economic plans. The final deadline for the adoption of counterplans is the same as for the approval of a managerial play by a supervisory agency (usually by 15 February of the plan year).

2. For 1988-1990 counterplanning will be organized as an upgrading of tasks set for the year in question by the 5-year plan (guidelines) in drafts of the annual plans of organizations and agencies of the central ranks of management

(usually available between July and September[1] of the previous year). In the aggregate, adopted counterplans of organizations and agencies of the central ranks of management are incorporated into the plan drafts submitted by sectoral central agencies. [1](September is the deadline for finalizing plan relationships between economic reduction units and a central sectoral agency).

3. In agriculture, the food industry (including bakeries managed by national committees) and in construction operations (including local construction companies) because of their specific conditions, counterplanning is organized even for 1988-1990 before the deadline for organizational plan improvement (February), which means that the exception made for the Seventh 5-Year Plan will extend to these later years as well.

4. All additional upgrades adopted after established deadlines are not recognized as counterplans, with all of the consequences that this implies.

III. Economic Incentives for Employees

Counterplanning is connected with an improvement in economic incentives for employees designed to stimulate their interest in the uncovering and exploiting of underutilized capacities for the improvement of established performance targets. In line with existing regulations[2] [2](Decree No 98/1985, Sbirka Zakonu, concerning the allocation of resources, and its guidelines), the following considerations are applicable to economic incentives:

1) In organizations where standards are set in the form of a share of wage resources based on a determinant indicator (referred to as a "level standard") the organization which includes in its plan an upgraded version of the determinant indicator gains the right to wage resources in their full amount based on the existing standard (a 1 percent increase in adjusted value added, for instance, means an increase in wage resources also by 1 percent).

The adoption of a counter plan is more advantageous for the entire collective of employees than is the exceeding of the determinant indicator during the period of plan implementation, when the planned volume of wage resources is increased according to a standard that is adjusted by a recalculation coefficient that is substantially less than 1.

In cases of failure to meet the determinant indicator in the plan, or of failing to achieve it during plan implementation, an organization has a right to wage resources based on established standards (a 1 percent decrease in wage resources for each percentage point of underfulfillment of the determinant indicator).

2) In organizations where standards are applied that tie increases in wage resources to increases in the determinant indicator (hereafter the "growth standard")[3] [3](This standard is defined as a percentage increase in wage resources for each 1 percent increase in the determinant indicator.) this standard is not reduced if determinant indicator targets are exceeded during plan implementation (without a previous counterplan; upgraded tasks in a

counterplan is accorded no advantage over task overfulfillment during the year). In such cases an advantaged growth standard can be established for counterplanning that is used for calculating wage resources due when an established increase in the determinant indicator is upgraded. (An advantaged growth standard is used primarily in those cases where the use of a standard growth norm in the counterplan stage would put these organizations at a disadvantage in comparison with an organization using a level standard). At the same time a percentage increase target for the determinant indicator is set for the organization. The advantaged growth standard is used whenever this target figure is surpassed.

Calculating planned claims on wage resources requires that the status of the determinant indicator and wage resources be determined under comparable conditions, i.e., in the organization, methodology and prices of the plan year (only balanced prices are included). The starting point of the determinant indicator for 1986 and 1987 is the performance of the previous year and, for preparations for the 1988-1990 plans the projected figures for the previous years. The starting point for wage resources is their useable volume, which corresponds to the starting point of the determinant indicator without supplements or deductions.

a) If a decline is proposed in the determinant indicator below its starting point, there will be a linear reduction in the starting point of wage resources (i.e., a percentage point for percentage point decline);

b) If an increase in the determinant indicator is proposed that is less than the established increase, or the established increase is only maintained then the starting point of wage resources is increased by an amount calculated with the aid of the established growth standard (see the model in point b) of the example);

c) If an increase is proposed in the determinant indicator that is higher than established the increase is divided into a part corresponding to the established increase and a part by which the counterplan is increasing this established level. The starting point of wage resources is thus increased by an amount calculated by the following model:

$$\frac{VZ \cdot SR \cdot PN + VZ \cdot (NR - SR) - ZN}{100},$$

where:

VZ is the starting point of wage resources (in korunas);
SR is the established increase in the determinant indicator (in percent);
NR is the proposed increase in the determinant indicator (in percent);
PN is the growth norm (in fractions of a percent);
ZN is the advantaged norm (in fractions of a percent).

In the approval of annual plans the approach is the same with the difference that in 1988-1990 the starting point for the determinate indicator will be

the performance of the previous year and the volume of useable wage resources derived from this (exclusive of supplements or deductions).

d) If during plan implementation the determinant indicator is not fulfilled the planned volume of wage resources is reduced in a differentiated manner depending on their origin. This means that they are first reduced in a ratio equal to the counterplan for the determinant indicator, then in accordance with the growth standard (up to the level of the determinant indicator for the previous year), and finally in a ratio of 1:1 (when the determinant indicator declines below its level of the previous year).

The above approach offers, just as with the application of a level standard, economically justified wage growth. The differentiated reduction in the volume of wage resources when the determinant indicator is not fulfilled pursues the objective of not weakening the interest of work collectives for adopting counterplans that utilize a growth standard.

The planned wage resource volume is reduced by a maximum of 8 percent regardless of whether a level or growth standard is used. This reflects the need to assure economically justified wage development and increased joint responsibility of worker collectives for economic performance.

Economic incentives related to counterplanning are guaranteed, provided the conditions are met. Supervisory agencies have the responsibility of assuring that all incentives and penalties are clearly and effectively applied, even though they do not propose a counterplan and some of their subordinate agencies do upgrade their targets with counterplans. Because of this situation these supervisory agencies set aside appropriate allocated reserves of wage resources to covering the claims of counterplanning organizations, and administer the wage resources reductions at organizations that do not meet their targets.

The consistent application and effectiveness of counterplanning requires an improvement in the economic incentives provided for those workers and collectives which have assisted in achieving improved economic performance. Organizational management, by agreement with the appropriate union agency, should modify the regulations for awarding premiums and bonuses in such a way that incentives are provided for those collectives and individuals who have played a role in the adoption and implementation of a counterplan.

The upgrading of organizational objectives through a counterplan is also related to the possibility for increasing annual bonuses for managers to the extent and under the conditions established in the decree of the FMPSV[4] (file no. 513-21258-5131, 051185 concerning the granting of annual bonuses to economic organization managers).

It should also be mentioned in relation to economic incentives that when labor productivity increases are achieved by reducing the number of employees at a given organization, that organization retains the volume of wage resources dictated by the determinant indicator and the established wage resource standard.

IV. A Final Regulation

Central agencies, by agreement with the appropriate agencies of the trade unions, specify the principles of counterplanning within the context of a branch in such a way as to more precisely focus the objectives of counterplanning, including the conditions for employee economic incentives. They may set these objectives for an entire 5-year period. Supervisory economic administrative agencies operate in a similar manner, in that they agree with appropriate union agencies to set more detailed objectives for counterplanning, including the conditions of economic incentives for employees in subordinate organizations. For 1986-1987 this is to be done no later than during the formulation of the annual plan, while for 1988-1990 it should be done no later than at the beginning of work on the annual plan draft. In nonproduction organizations supervisory economic administrative agencies specify counterplanning tasks so as best to reflect their goals.

In the interest of the consistent application of counterplanning state economic organizations, in agreement with enterprise or plant revolutionary trade union movement [ROH] committees, adopt their own regulations for counterplanning including the conditions of economic incentives for internal enterprise divisions. At the same time they assure the successful implementation of these regulations by linking counterplanning effectively to internal enterprise khozraschot and the compensation of work collectives according to merit.

An example follows of the application of counterplanning to the allocation of wage resources by means of a growth standard (for 1986-1987)

Breakdown is established

a) growth standard is a 0.3 percent increase in wage resources for every 1 percent increase in adjusted value added,

b) a growth rate target for adjusted value added is set at 5 percent; when this is exceeded an advantaged standard is implemented;

c) the advantaged norm provides for a 0.8 percent increase in wage resources for each 1 percent increase in adjusted value added over 5 percent.

It was determined that the starting point of the past year (after adjustments and transfers to comparable conditions) was adjusted value added=1000 and wage resources=400.

The enterprise proposed the following levels for adjusted value added [UVV]:
a) 980
b) 1040
c) 1070

Upon plan implementation it was found that actual UVV was 1060.

Comparison of specific variants of claims on wages

Key: MP_{PL} -- planned wage resources
MP_S -- actual wage resources
VZ -- starting point for wage resources
NR -- proposed increase in determinate indicator
PN -- growth standard
ZN -- advantaged standard

a) UVV PLAN 980

$$MP_{PL} = VZ + \frac{VZ \cdot NR}{100} = 400 + \frac{400 \cdot (-2)}{100} = 392$$

UVV ACTUAL 1060

$$MP_S = VZ + \frac{VZ \cdot NR \cdot PN}{100} = 400 + \frac{400 \cdot 4 \cdot 0.3}{100} = 407.2$$

b) UVV PLAN 1040

$$MP_{PL} = VZ + \frac{VZ \cdot NR \cdot PN}{100} = 400 + \frac{400 \cdot 4 \cdot 0.3}{100} = 404.8$$

UVV ACTUAL 1060

$MP_S = 407.2$ (according to same model as in variant a))

c) UVV PLAN 1070

$$MP_{PL} = VZ + \frac{VZ \cdot SR \cdot PN + VZ \cdot (NR-SR) \cdot ZN}{100} = 400 + \frac{400 \cdot 5 \cdot 0.3 + 400 \cdot (6-5) \cdot 0.8}{100} = 412.4$$

UVV ACTUAL 1060

$$MP_S = 400 + \frac{400 \cdot 5 \cdot 0.3 + 400 \cdot (6-5) \cdot 0.8}{100} = 409.2$$

From the foregoing it follows that in a case when the objectives of a counterplan are not fully met, but the achieved performance is more than the pre-plan projection, an enterprise which entered into a counterplan will receive certain advantages over an enterprise that chose not to submit a counterplan, or which adopted a lower plan and then exceeded it during implementation.

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ECONOMY CZECHOSLOVAKIA

INCOME-CONSUMPTION DEVELOPMENTS 1970-1983 DISCUSSED

Prague STATISTIKA in Slovak No 11, 1985 pp 494-504

[Article by Michal Majtan: "The Development of Personal Income and Expenditures of the Population of the SSR"]

[Text] Aggregate personal income of our population represents the main source--the means and mechanisms--of the processes of distribution, which even in socialism serves primarily to satisfy personal consumption of the population and services for which the population pays. Its development and volume in a specific period depend on the structure of the population, economy, labor input, and achievements, and on the decisions of our central political and state agencies in the sector of planned managements of the processes of distribution of disposable income (wages, finances, and prices).

The development of the nominal as well as of the actual volume of aggregate personal incomes is determined by decisions which affect, inter alia, in particular the proportion of individual and social distribution of NI and the sphere of primary and secondary distribution and redistribution of NI. This is linked with specific individual decisions which affect in final [sentence incomplete] individual and publicly compensated nonproduction consumption. They also include decisions which formulate the relation between the policies in the sector of rewards and the policies in the social sector.

See Table 1 for the development of aggregate personal incomes in the SSR as well as of main types of personal cash incomes in the context of the data for the CSR and CSSR.

Certain general conclusions may be drawn from the data in Table 1. First of all, it may be noted that average annual rates of growth of personal incomes in the SSR and CSR gradually declined. Thus, for example, in the SSR they amounted in 1971-1975 on the average to 6.5 percent annually, in 1976-1980 to 5 percent, and in 1981-1983 to 3.8 percent. This is connected with the growth of the base as well as--and particularly--with the decelerating rate of growth of gross domestic product, while the growth of average personal incomes (in per capita conversion) was naturally lower in accordance with the growth of the population (particularly in the SSR).

Table 1. Development of Personal Cash Income

		1970	1975	1980	1981	1982	1983	1975/1970	1980/1975	1980/1983	1983/1970
Personal cash income	ČSSR	226 358	292 057	356 852	366 109	381 788	393 475	129,0	122,2	110,3	173,8
	ČSR	164 545	207 460	248 831	254 661	265 422	272 825	126,1	119,9	109,6	165,8
a) Kcs million	SSR	61 813	84 597	108 021	111 448	116 366	120 650	136,9	127,7	111,7	195,2
	SSR/ČSSR %	27,3	29,0	30,3	30,4	30,5	30,7				
b) per capita Kcs	ČSSR	15 792	19 731	23 307	23 897	24 841	25 527	124,9	118,1	109,5	161,6
	ČSR	16 780	20 616	24 095	24 717	25 733	26 429	122,9	116,9	109,7	157,5
	SSR	13 650	17 850	21 672	22 214	23 021	23 696	130,8	121,4	109,3	173,6
	SSR—ČSR	—3 130	—2 766	—2 423	—2 503	—2 712	—2 733	88,4	87,6	112,7	87,3
	SSR/ČSR %	81,3	86,6	89,9	89,9	89,5	89,7				
of which--wages	ČSSR	166 209	207 146	248 604	254 937	263 762	271 814	124,6	120,0	109,3	163,5
a) Kcs million	ČSR	121 866	148 131	174 326	178 320	184 506	189 435	121,6	117,7	108,7	155,4
	SSR	44 343	59 015	74 278	76 617	79 256	82 379	133,1	125,9	110,9	185,8
	SSR/ČSSR %	26,7	28,5	29,9	30,1	30	30,3				
b) per capita Kcs	ČSSR	11 595	13 994	16 237	16 641	17 162	17 634	120,7	116,0	108,6	152,1
	ČSR	12 428	14 720	16 880	17 308	17 888	18 351	118,4	114,7	108,7	147,6
	SSR	9 793	12 453	14 902	15 271	15 679	16 180	127,2	119,7	108,6	165,2
	SSR—ČSR	—2 635	—2 267	—1 978	—2 037	—2 209	—2 171	86,0	87,2	109,7	82,3
	SSR/ČSR %	78,8	84,6	88,3	88,2	87,7	88,2				
--transfer payments	ČSSR	40 294	51 737	68 222	69 502	75 227	77 903	128,4	131,9	114,2	193,3
a)	ČSR	29 177	36 809	47 948	48 772	52 583	54 223	126,2	130,3	113,1	185,8
Kcs million	SSR	11 117	14 928	20 274	20 730	22 644	23 680	134,3	135,8	116,8	213,0
	SSR/ČSSR %	27,6	28,9	29,7	29,8	30,1	30,4				
b) per capita Kcs	ČSSR	2 811	3 495	4 456	4 537	4 895	5 054	124,3	127,5	113,4	179,8
	ČSR	2 975	3 658	4 643	4 734	5 098	5 253	122,9	126,9	113,1	176,5
	SSR	2 455	3 150	4 068	4 132	4 480	4 651	128,3	129,1	114,3	189,5
	SSR—ČSR	—520	—508	—575	—602	—618	—602	97,5	113,2	104,7	115,5
	SSR/ČSR %	82,5	86,1	87,6	87,3	87,9	88,5				
--loans	ČSSR	5 351	9 678	11 118	12 215	12 383	11 714	180,9	114,9	105,4	218,9
a) Kcs million	ČSR	3 408	6 211	6 983	7 817	7 936	7 261	182,2	112,4	104,0	213,1
	SSR	1 943	3 467	4 135	4 398	4 447	4 453	178,4	119,3	107,7	229,2
	SSR/ČSSR %	36,3	35,8	37,2	36,0	35,9	38				
b) per capita Kcs	ČSSR	373	654	726	797	806	760	175,3	111,0	104,7	203,8
	ČSR	347	617	676	759	769	703	177,3	109,6	104,0	202,0
	SSR	428	732	829	877	880	875	170,6	113,4	105,4	204,0
	SSR—ČSR	+81	+115	+153	+118	+111	+172	142,0	133,9	111,7	212,3
	SSR/ČSR %	81,1	118,6	122,6	115,5	114,4	124,5				
--other	ČSSR	14 504	23 496	28 908	29 455	30 416	32 044	162,5	123,0	110,8	221,6
a) Kcs million	ČSR	10 094	16 309	19 574	19 752	20 397	21 906	162,3	120,0	111,9	218,0
	SSR	4 410	7 187	9 334	9 703	10 019	10 138	163,0	129,9	108,6	229,9
	SSR/ČSSR %	30,4	30,6	32,3	32,9	32,9	31,6				
b) per capita Kcs	ČSSR	1 013	1 588	1 888	1 922	1 979	2 079	157,3	119,0	110,1	206,0
	ČSR	1 030	1 621	1 896	1 916	1 978	2 122	158,1	116,9	112,0	207,0
	SSR	974	1 515	1 873	1 934	1 982	1 991	155,6	123,5	106,3	204,4
	SSR—ČSR	—56	—106	—23	+18	+4	—131	205,9	21,0	595,5	256,9
	SSR/ČSR %	94,2	93,5	98,8	100,9	100,2	93,8				

Secondly, it may be noted that average annual rates of growth of total personal incomes were relatively very high even in per capita conversion. They were higher than the rates of growth of gross domestic product (in constant prices). This was then necessarily reflected after a certain lapse of time in a slower development of actual earnings of our population.

Transfer payments (in 1971-1975 also other incomes in the form of interest and premiums on bank deposits, insurance benefits, compensation for travel and moving expenses, etc.) acted as a factor accelerating the growth of total personal earnings. The growth of transfer payments was thus connected with higher children's benefits and with higher old-age and other benefits. They increased especially after 1 January 1976 and after 20 July 1979 due to the compensation of a relatively higher rate of growth of retail prices of consumer goods and services.

In general, our socioeconomic policy, including the policy in the sector of rewards and prices, was enforced very deliberately. Numerous measures ensured a realistic and basically, also nominal harmony and proportionality of the development of efficiency, creation of NI, and rewards based on performance. This laid the groundwork for a fundamentally balanced nominal development of offer and demand in our domestic market of consumer goods and services.

Different rates of growth of individual basic types of personal income were also appropriately reflected in the development of the structure of total personal earnings (Table 2).

Table 2. Development of the Structure of Per Capita Cash Income in the SSR (percent and points)

Indicator	1970	1975	1980	1982	1983	Change in 1983 as compared with 1970
Total cash incomes	100.0	100.0	100.0	100.0	100.0	--
Of which incomes:						
--wages	71.7	69.8	68.8	68.1	68.3	-3.4
--transfer payments	18.0	17.6	18.8	19.5	19.6	+1.6
--from loans	3.2	4.1	3.8	3.8	3.7	+0.5
--other	7.1	8.5	8.6	8.6	8.4	+1.3

In the above-mentioned period the primary tendency in evidence was the ongoing decline of wages and a growing share of transfer payments. The development of the above trend stems mainly from the accelerated growth of transfer payments in conjunction with their accelerated growth after the adoption of decisions on compensation and subsidies by our central authorities in the sector of children's, old-age, and other benefits. Within that framework, the overall system of aid to families with children was changed by the transition to a monetary policy in the form of higher children's benefits against the form of discounts, or cut rates of sales tax in prices of consumer goods for children.

The development of the structure of personal earnings was further significantly affected by a slower rate of growth of salaries and wages, which followed from the slower rates of growth of NI and from the enforcement of restrictive policies in the sector of creation and use of funds for performance bonuses (especially in the nonproduction sphere).

The sector of personal earnings from loans granted by state savings banks is developing in an interesting way. As compared with 1970, their share in 1975 rose from 3.2 percent to 4.1 percent. In the following years the share of loans declined or stagnated, not because of the restrictions in the plan, but rather because of the population's diminished interest in loans. This was the consequence of the growth of personal income as well as of the growth of personal savings and of relatively high interest rates on certain types of loans.

In general, the main trends in the development of personal savings were essentially identical in the SSR and in the CSR, while the more rapid rates of growth of personal income in the SSR stem in particular from the difference in the structure of the population (the share of children and the consequent growth of transfer payments) and in a more rapid rate of growth of production and outputs.

If we compare the development of personal income in the SSR and CSR, we may note that in the period before 1980 the level of the SSR in absolute and relative expression was rising. Thus, appropriate indicators were converging. The data in Table 1 document the decrease of the absolute difference in per capita conversion from Kcs 3,130 in 1970 to Kcs 2,423 in 1980. In relative expression this meant 18.7 percent in 1970 and only 10.1 percent in 1980. The share of total personal income in their total volume rose from 27.3 percent in 1970 to 30.3 percent in 1980 and to 30.7 percent in 1983. For comparison, I should like to mention that the share of the SSR population was 33 percent in 1983.

The process of convergence of the SSR and CSR in the area of personal earnings began to stagnate after 1980. As mentioned above, the share of total personal income in the SSR in its total volume in the CSSR increased from 30.3 percent in 1980 to 30.7 percent in 1983, however, not enough to reduce the absolute and relative difference in per capita conversion. The difference in average per capita cash incomes even began to rise from Kcs 2,423 in 1980 to Kcs, 2,733 in 1983, which in relative expression represented an increase in the difference from 10.1 percent in 1980 to 10.3 percent in 1983.

Of the (four) factors responsible for the difference between the SSR and the CSR in cash earnings in per capita conversion the most influential are wages and transfer payments, or those primary factors that affect their development. According to the data for 1983, the total difference in per capita incomes between the SSR and the CSR (not including interest on loans credited at the end of the year) is caused by the following factors (Footnote 1) (The total per capita difference is explained by conversion of the effect of individual factors per capita. This does not imply that every factor existing between the SSR and the CSR may be completely equalized.):

Factor	Difference in Kcs	Share of factor in percent
1. Factors leading to greater difference in earnings:		
--lower share of employees in post-productive age in total population	465	16.9
--fewer economically active persons of productive age	634	23.0
--lower incomes from pensions	712	25.9
--lower average wages of workers in the socialist sector (not including JRD [unified agricultural cooperatives])	726	26.4
--lower share of students in the population of productive age	144	5.2
--lower average cash earnings in the JRD and agriculture	93	3.4
--lower cash flow from the CSR to SSR, such as wages of workers leaving for employment in the CSR	187	6.8
--fewer foreign nationals employed in the SSR	82	3.0
--lower level of other incomes	312	11.3
2. Factors narrowing the difference in incomes		
--lower share of workers in the socialist sector in the total number of employees in the SSR national economy	-100	- 3.6
--different share of persons of productive age	-241	- 8.7
--higher incomes from health insurance in the SSR	-110	- 4.0
--higher per capita loans in the SSR	-152	- 5.5
Totals	2,752	100.0

While aggregating factors that affect the difference in personal income in the SSR as compared with the CSR, it was determined that the share of economic factors in the development was gradually declining. In 1975 the share of economic factors amounted to 44.5 percent; in 1983 it dropped to 41.7 percent.

Total difference in cash earnings may be further reduced by higher employment of housewives, by lower migration for work in distant areas, and especially by creating conditions to narrow the differences in the amount of wage earnings by increasing social productivity of labor and efficiency of production.

Table 3. Development of Personal Cash Expenditures

		1970	1975	1980	1982	1983	1975/1970	1980/1975	1983/1980	1983/1970
Personal cash expenditures total in Kcs million	ČSSR	226 358	292 057	356 852	381 788	393 475	129,0	122,2	110,3	173,8
	ČSR	164 545	207 460	248 831	265 422	272 825	126,1	119,9	109,6	165,8
	SSR	61 813	84 597	108 021	116 366	120 650	136,9	127,7	111,7	195,2
	SSR/ČSSR v %	27,3	29	30,3	30,5	30,7				
Total per capita cash expenditures in Kcs	ČSSR	15 792	19 731	23 307	24 841	25 527	124,9	118,1	109,5	161,6
	ČSR	16 781	20 617	24 096	25 731	26 429	122,9	116,9	109,7	157,5
	SSR	13 650	17 850	21 672	23 024	23 696	130,8	121,4	109,3	173,6
	SSR—ČSR	—3 131	—2 767	—2 424	—2 707	—2733	88,4	87,6	112,7	87,3
	SSR/ČSR v %	81.3	86,6	89,9	89,5	89,7				
Change in the situation of savings in Kcs million	ČSSR	10 316	10 564	10 405	12 510	16 147	102,4	98,5	155,2	156,5
	ČSR	7 553	7 015	6 888	8 601	10 936	92,9	98,2	158,8	144,8
	SSR	2 763	3 549	3517	3 909	5 211	128,4	99,1	148,2	188,6
	SSR/ČSSR v %	26,8	33,6	33,8	31,2	32,3				
Change in the situation of per capita savings in Kcs	ČSSR	720	714	680	814	1 048	99,2	95,2	154,1	145,6
	ČSR	770	697	667	834	1 059	90,5	95,7	158,8	137,5
	SSR	610	749	706	773	1 023	122,8	94,3	144,9	167,7
	SSR—ČSR	—160	52	39	—61	—36		75,0		22,5
	SSR/ČSR v %	79,2	107,5	105,8	92,7	96,6				
Taxes, customs duties, and levies in Kcs million	ČSSR	25 391	32 079	40 967	43 589	45 153	126,3	127,7	110,2	177,8
	ČSR	19 003	23 407	29 238	31 081	32 079	123,2	124,9	109,7	168,8
	SSR	6 388	8 672	11 729	12 508	13 074	135,8	135,3	111,5	204,7
	SSR/ČSSR v %	25,2	27	28,6	28,7	29				
Per capita taxes, customs duties, and levies in Kcs	ČSSR	1 771	2 167	2 676	2 836	2929	122,4	123,5	109,5	165.4
	ČSR	1 938	2 326	2 831	3 013	3108	120,0	121,7	109,8	160,4
	SSR	1 411	1 830	2 353	2 475	2568	129,7	128,6	109,1	182,0
	SSR—ČSR	—527	—496	—478	—538	—540	94,1	96,4	113,0	102,5
	SSR/ČSR v %	72.8	78,7	83,1	82,1	82,6				
Repayment of loans--including interest in Kcs million	ČSSR	5 391	8 033	11 135	11 889	12 206	149,0	138,6	109,6	226,4
	ČSR	3 441	5 113	7 016	7 445	7 646	148,6	137,2	109,0	222,2
	SSR	1 950	2 920	4 119	4 444	4 560	149,7	141,1	110,7	233,8
	SSR/ČSSR v %	36.2	36,4	37	37,4	37,4				
Per capita repayment of loans--in Kcs	ČSSR	376	543	727	774	792	144,4	133,9	108,9	210,6
	ČSR	351	508	679	722	741	144,7	133,7	109,1	211,1
	SSR	431	616	826	879	896	142,9	134,1	108,5	207,9
	SSR—ČSR	80	108	147	157	155	135,0	136,1	105,4	193,8
	SSR/ČSR v %	122.8	121,3	121,6	121,7	120,9				

[continued]

[Continuation of Table 3--Development of Personal Cash Expenditures]

Payments for services in Kcs million	ČSSR	28 780	37 039	48 478	51 665	52 802	128,7	130,9	108,9	183,5
	ČSR	21 343	26 875	34 151	36 448	37 276	125,9	127,1	109,2	174,7
	SSR	7 437	10 164	14 327	15 217	15 526	136,7	141,0	108,4	208,8
	SSR/ČSSR v %	25,8	27,4	29,6	29,5	29,4				
Per capita payment for services--in Kcs	ČSR	2 008	2 502	3 166	3 362	3 426	124,6	126,5	108,2	170,6
	SSR	2 177	2 671	3 307	3 533	3 611	122,7	123,8	109,2	165,9
	SSR—ČSR	1 642	2 145	2 874	3 011	3 049	130,6	134,0	106,1	185.7
	SSR/ČSR v %	—535	—526	—433	—522	—562	98,3	82,3	129,8	105,0
		75.4	80,3		85,2	84,4				
Purchase of goods in retail stores-- in Kcs million	ČSSR	149 881	194 228	232 065	243 688	250 572	129,6	119,5	108,0	167,2
	ČSR	108 199	137 755	161 661	168 709	173 022	127,3	117,4	107,0	159,9
	SSR	41 682	56 473	70 404	74 979	77 550	135,5	124,7	110,1	186,1
	SSR/ČSSR v %	27,8	29,1	30,3	30,8	30,9				
Per capita purchase of goods in retail stores--in Kcs	ČSSR	10 457	13 122	15 157	15 856	16 256	125,5	115,5	107,3	155,5
	ČSR	11 035	13 690	15 655	16 356	16 761	124,1	114,4	107,1	151,9
	SSR	9 204	11 916	14 125	14 835	15 231	129,5	118,5	107,8	165,5
	SSR—ČSR	—1 831	—1 774	—1 530	—1 521	—1 530	96,9	86,2	100,0	83,6
	SSR/ČSR v %	83,4	87	90,2	90,7	90,9				
Procurement of products in JRD-- in Kcs million	ČSSR	865	1 177	1 073	1 287	1 517	136,1	91,2	141,4	175,4
	ČSR	658	735	703	900	1 103	111,7	95,6	156,9	167,6
	SSR	207	442	370	387	414	213,5	83,7	111,9	200,0
	SSR/ČSSR v %	23,9	37,6	34,5	30,1	27,3				
Per capita procurement of products in JRD--in Kcs	ČSSR	60	80	70	84	98	133,3	87,5	140,0	163,3
	ČSR	67	73	68	87	107	109,0	93,2	157,4	159,7
	SSR	46	93	74	77	81	202,2	79,6	109,5	176,1
	SSR—ČSR	—21	20	6	—10	—26		30,0		123,8
	SSR/ČSR v %	68,7	127,4	108,8	88,5	75,7				
Other expenditures in Kcs million	ČSSR	5 734	8 937	12 729	17 160	15 078	155,9	142,4	118,5	263,0
	ČSR	4 348	6 560	9 174	12 238	10 763	150,9	139,8	117,3	247,5
	SSR	1 386	2 377	3 555	4 922	4 315	171,5	149,6	121,4	311,3
	SSR/ČSSR v %	24,2	26,6	27,9	28,7	28,6				
Other per capita expenditures in Kcs	ČSSR	400	604	831	1117	978	151,0	137,6	117,7	244,5
	ČSR	443	652	888	1186	1 043	147,2	136,2	117,5	235,4
	SSR	306	502	713	974	847	164,1	142,0	118,8	276,8
	SSR—ČSR	—137	—150	—175	—212	—196	109,5	116,7	112,0	143,1
	SSR/ČSR v %	69,1	77	80,3	82,1	81,2				

Historically, the differences in pension benefits are relatively objective. They are determined by appropriate regulations, a lower share of the elderly, and lower average old-age and disability pension benefits derived from lower average wage earnings in the past.

Per capita cash expenditures are a specific and at the same time, the most significant form of transacting a fundamental part of personal consumption and of services for payment offered to the population. The development of basic types of per capita cash expenditures appears in Table 3.

For cash expenditure of the SSR population it is characteristic that the share of purchases in stores (statewide) is nearly identical as the share of total personal earnings (or expenditures) of our population. After 1975 the share in savings increments was expanded; the average increase of per capita savings was higher in the SSR than in the CSR. Obviously, this reflects the process of creation of savings in conjunction with higher earnings, which had occurred in the CSR earlier. Other factors in per capita expenditures, in which the SSR holds a higher share than its share of the population, are payments of loans and procurement in JRD's. In addition to repayments of loans, all per capita expenditures in the SSR achieved higher dynamism than in the CSR.

In the above-mentioned period the share of incomes earned in the structure of personal incomes was in the range from 95.5 percent to 96.7 percent (Table 4).

Table 4. Development of the Structure of Personal Cash Expenditures in the SSR (in percent and points)

Indicator	1970	1975	1980	1982	1983	Change in 1983 as compared with 1970
Total personal cash expenditures	100.0	100.0	100.0	100.0	100.0	--
Purchase of goods in retail stores	67.7	66.8	65.2	64.4	64.3	-3.4
Procurement of products in JRD	0.3	0.5	0.3	0.3	0.3	0.0
Payments for services	12.0	12.0	13.3	13.1	12.9	+0.9
Taxes, customs duties, and levies	9.8	10.2	10.9	10.7	10.8	+1.0
Repayment of loans	2.9	3.1	3.4	3.4	3.8	+0.9
Change in the situation of savings	4.5	4.2	3.3	4.2	4.3	-0.2
Other expenditures	2.8	3.2	3.6	3.9	3.6	+0.8

Incomes earned were relatively more intensive especially in 1980 when the share of the change in the situation of savings amounted to only 3.3 percent, while in other years under discussion it was from 4.2 to 4.5 percent.

Among aggregated personal incomes the share of taxes, customs duties, and levies followed a basically ascending trend of development, particularly in conjunction with the increase of average income tax rates, which was due

especially to the declining share of children in families, or to families without minor children. In conjunction with the increase in loans to the population, the share of repayments of loans to state savings banks increased. The share of other expenditures, primarily insurance payments to state insurance agencies, bets in the Sazka enterprise, etc., rose to a relatively major degree. A positive factor is that circumstance that the share of personal payments for services is increasing; however, the increase is due mainly to higher expenditures of the population for housing and for payments for communications (higher financial participation of the population in the financing of housing construction, and higher rates for communications).

In view of the greater share of all the above-mentioned basic groups of personal expenditures in total expenditures of the population, the share of the main item in personal expenditures--purchases of goods in retail stores--declined by 3.4 points. In 1983 its share in total personal expenditures was 64.3 percent. The main part of personal consumption is practically transacted in this fashion.

When comparing the development in the SSR with that in the CSR, one may note that due to higher rates of growth of personal earnings in the SSR, individual types of personal cash expenditures achieved higher rates of growth, but with that difference that while customs and levies in the CSR achieved higher rates of tax increase than of payments for services, in the SSR it was exactly the opposite, because of the more rapidly expanding services in the SSR and of lower taxation of wage earnings due to a higher share of children in families, a lower share of childless families, and a higher share of wages earned in the JRD's which are not subject to income taxes.

One of the specific indicators of realization of personal incomes (in the form of their expenditures) and of the living standard is the furnishing of households with durable goods (Table 5).

From the five types of durable goods listed here, the rate of equipment with four (except for passenger automobiles) in 1983 was 100 or more items per 100 households. In 1971-1983 the standard of furnishing in the SSR rose 1.4 times up to almost 300 percent (passenger automobiles). At the same time the ratio of the SSR to the CSR is essentially the same as in aggregated personal incomes. The rate of furnishings is lower--from 4 percent (refrigerators) to 24 percent (passenger automobiles).

See Table 6 for the effect of the changes in personal savings in the form of bank deposits and cash on hand.

In 1971-1983 total personal savings increased in the SSR almost 3.4 times and in the CSR 2.8 times. In per capita conversion the situation of personal savings in the SSR amounted in 1983 to more than Kcs 14,000, while the share of personal savings in the SSR was up from 26.2 percent in 1970 to 30.2 percent in 1983 (the share of the SSR in total population was 33 percent). Nevertheless, in per capita conversion the difference between the situation of savings in the CSR and in the SSR continued to grow in the above-mentioned

Table 5. Development of Household Furnishing With Durable Goods in the CSSR, CSR, and SSR (in units per 100 households)

Indicator		1970	1980	1983	Index 1983/1970
Household furnishings:					
— Refrigerators	ČSSR	56	92	106	189
	ČSR	58	92	108	186
	SSR	51	90	104	204
	SSR—ČSR	—7	—2	—4	—
— Washing machines	ČSSR	86	124	139	162
	ČSR	91	130	146	160
	SSR	74	109	122	165
	SSR—ČSR	—17	—21	—24	—
— Radios	ČSSR	140	182	192	137
	ČSR	142	188	196	138
	SSR	133	171	182	137
	SSR—ČSR	—9	—17	—14	—
— Passenger automobiles	ČSSR	18	42	47	261
	ČSR	20	45	50	250
	SSR	13	33	38	292
	SSR—ČSR	—7	—12	—12	—
— Televisions	ČSSR	78	112	116	149
	ČSR	83	116	120	145
	SSR	66	102	109	165
	SSR—ČSR	—17	—14	—11	—

Table 6. Situation of Personal Savings—Bank Deposits and Cash on Hand (in million Kcs at the end of the year)

Territory	1970	1975	1980	1983	Change in 1983 as compared with 1970	Index 1983/1970
a) situation in Kcs million						
ČSSR	80 161	141 720	194 910	237 700	157 539	297
ČSR	59 156	102 336	136 683	165 933	106 777	281
SSR	21 005	39 384	58 227	71 767	50 762	342
SSR/ČSR in percent	26,2	27,8	29,9	30,2	4,0	—
b) per capita in Kcs						
ČSSR	5 592	9 574	12 730	15 399	9 807	275
ČSR	6 033	10 170	13 235	16 069	10 036	266
SSR	4 639	8 311	11 683	14 044	9 405	303
ČSR — SSR	—1 394	—1 859	—1 552	—2 025	631	145
SSR/ČSR in percent	76,9	81,7	88,3	87,4	10,5	—

period by 45 percent. However, in relative expression the difference declined from 23.1 percent in 1970 to 12.6 percent in 1983. Although in comparison with the CSSR the difference in the situation of personal savings in the SSR in per capita conversion increased in the 1971-1983 period, the difference in relative expression was relatively greatly reduced. In 1983 the difference in personal savings in the SSR in per capita conversion

represented in relative expression only slightly more (12.6 percent) than in personal incomes (10.3 percent), however, the absolute difference in the situation of per capita savings in the SSR was reduced between 1976 and 1980 as compared with the CSR (from Kcs 1,859 in 1975 to Kcs 1,552 in 1980). In 1981-1983 the difference rose again almost above the 1975 level (Kcs 2,025). The connection with the growth of absolute differences in personal earnings in the SSR (in per capita conversion) as compared with the CSR is evident (for details see Table 1). In general, the development of personal savings in the form of bank deposits and cash on hand is in proportion with the development of aggregate personal earnings.

The data on the development of personal cash income and expenditures confirm in their way the statements made at the 16th CPCZ Congress (in the report on the party's activity and the development of society since the 15th CPCZ Congress): "We have every right to note with pride that the task to overcome the differences existing historically in economic, political, and cultural conditions of our nations has been essentially fulfilled."

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STATISTICAL DATA STRESS ROLE OF KEY TECHNOLOGIES, COMBINES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 20 Jan 86 p 4

[Article by Gz. datelined Berlin 19 Jan: "GDR Statisticians Are Satisfied" /Methods of Computation Unclear as Always/ The Importance of Combines]

[Text] If one follows regularly what can be read daily in letters to the editor and self-imposed obligations by enterprises, one must come to the conclusion that until mid-April there is no other topic in the GDR except the "worthy preparation" of the 11th Party Congress. It is not difficult for GDR statisticians to use the label "particularly successful" for the past year. The growth rate, regardless of how it was computed, appears satisfactory, and the SED is also content with performances in agriculture. 1985 was the last year of the 5-year plan 1981 to 1985; but since the figures for December are only tentative, it is not certain whether the goals of the 5-year plan were achieved. 1982 was a bad year, particularly because of low agricultural yields; the shortfalls may have been partially made up.

Since there exist no price statistics whatsoever, it is not possible to assess on an economic policy basis the drop in the growth rate from 5.5 to 4.8 percent of "produced national income;" of importance is the increase in work productivity from 7.7 to 8.4 percent, surely a result of the efforts of industrial combines to lower their costs and to economize with materials. GDR statisticians claim that real income has risen by 5 percent (in 1984, an increase of 4 percent was reported), but no one knows how this increase was computed. The increase in the population's net monetary income of 4 percent is roughly the same as in the previous year. The supply of motor vehicles for the population (allocation rate per 100 households) rose from 42 to 45 percent; by now, almost every household has a refrigerator and a washing machine. Manufacture of color television sets and freezers rose strongly. The report notes that the population was supplied more reliably with "the thousand little things;" there was progress in the supply of spare parts, also.

What is new in the organization of the voluminous data report is the fact that the subject "science and technology" heads the list. For some time now, so-called "key technologies" have become a constant topic in GDR publications. In trade with the "capitalist industrial countries," the GDR has maintained and enlarged its position on foreign markets, particularly

through "more effective selling and marketing work" and the increased capability of many combines to react to new demands of foreign markets, to make the production structure correspondingly more flexible, and to make new results of scientific-technical progress production effective in a very short time.

From the figures one can deduce that ever greater tasks are being given to industrial combines, "the backbone of proven socialist planned economy." It seems, however, that extensive division of labor, characteristic of modern industrial states, is becoming less so. For instance, the combines must increasingly make up the shortfall in modernizing their installations through construction of their own rationalization means; they are to produce more consumer goods and develop their own software for computers and robots which are increasing in use.

The statistical report, three-and-a-half pages in the SED central organ NEUES DEUTSCHLAND, names a great number of enterprises which had fulfilled their obligations; the list starts with the big, well-known, and again praised, combines such as "Carl Zeiss Jena" or the petrochemical combine in Schwedt, down to the baked goods combine in Gera and the Auerbach section of the dairy in Plauen/Vogtland which increased its production of soft and hard cheeses. It is also pointed out that the production of seagoing and coastal vessels was increased by almost 25 percent. The ships built in GDR shipyards are mostly delivered to the Soviet Union.

As has been noticed for years, the trend continues to build fewer new apartments and to use the funds and labor instead for modernizing a greater number of old apartment buildings. Overall, construction activities have increased further. A special section is devoted to the capital of the GDR; in East Berlin about 33,400 apartments were newly constructed, almost 10,000 more than in the previous year. As in past years, savings deposits rose by almost 6 billion Marks.

Foreign trade figures are sparse as always. Turnover, counting imports and exports together, rose from 174 to 180 billion units of account. In foreign trade with socialist and non-socialist countries a "significant export surplus" was achieved in the amount of 7 billion Marks (6.4 billion Marks in the previous year). Two-thirds of GDR foreign trade is effected with partners in the socialist economic area; the foreign trade turnover with the Soviet Union rose by 4 percent to 70 billion units of account.

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DLUGOSZ DEFENDS ECONOMIC SITUATION

Warsaw RZECZPOSPOLITA in Polish 12 Feb 86 p 3

[Interview with Stanislaw Dlugosz, deputy chairman of the Planning Commission of the Council of Ministers, by Tomasz Bartoszewicz; date and place not specified: "Poland Wants to Be a Trustworthy Partner"]

[Text] Recently a significant number of articles have appeared in the Polish press and abroad that place question mark over the condition of our economy and the ability of Poland to extricate itself from the obligations it has assumed with respect to its foreign partners. In connection with this, a journalist from RZECZPOSPOLITA arranged an interview with Stanislaw Dlugosz, deputy chairman of the Planning Commission of the Council of Ministers.

[Question] Mr. Minister, some publications have expressed the idea that our economy has entered a phase of stagnation. Is it really this bad?

[Answer] There are even statements suggesting that we are in a phase of "degradation." The answer to this question is quite difficult. In many centers even an objective presentation of the condition of our economy engenders charges of practicing a "propaganda of success" in the style of the 1970's. Let us try, however, to consider some irrefutable facts.

I would begin with the fact that one of the few areas of consensus of the majority of economists and journalists in our country is that participation in international economic cooperation is an indispensable and advantageous factor. By-passing a small number of exceptions that have a decidedly pathological character, everyone agrees that export is the factor that will drive the economy. In the basis of this consensus, in foreign trade, we should present ourselves as an interesting partner with whom it would simply pay to cooperate. This, then, is a concept of adequately presenting our capabilities and trump cards, speaking openly about deficiencies without making ourselves out to be the sick man of Europe. At the same time, we must take into account that what we say is analyzed in detail both in the West and in the East... In the next few years, the competition in

the international markets will increase, and in our community, competition for access to the USSR market.

[Question] Are you saying, sir, that our foreign partners are disturbed by certain signals?

[Answer] First of all, to both Polish public opinion and our foreign partners, I would like to say that the idea of drastic deterioration in the state of our economy is greatly exaggerated. Neither is there any basis for the statement that the economy cannot be "controlled" toward development.

[Question] What specific arguments are put forth by the critics and how would you reply to them?

[Answer] The ranking of our "weak points" depends to a substantial degree on the world view of the writers. Together with objective, but critical analysis, we meet with the "sensational," intended to win the applause of certain groups in Poland or abroad.

[Question] Let us begin, perhaps, with the question of being "uncontrollable."

[Answer] Evidence of "controllability" of our economy are at least the results of our cooperation with the CEMA countries, also the increase in agricultural production. Should this increase be ascribed exclusively to favorable climatic conditions, or is it also due in no small degree to the conscious and effective actions of the state agricultural policy? Some writers move toward questioning the entire postwar achievements of our country, maintaining that "Communism has brought only misfortune to Poland." I do not want to go into particulars, so I will only recommend reading the data provided by the Central Office of Statistics in the small statistical annual No 1938 for the current period. Please look at least at such areas as unemployment, illiteracy, yield of grain, or industrial production.

[Question] These are so-called obvious facts. Only persons blinded by hatred would negate progress in relation to the prewar period. This is, however, not adequate proof for progress over the more than 40 years since the end of the war.

[Answer] Obviously. For the sake of order, however, I noted that we can hear even such voices. Much more frequently we meet with criticism of the achievements since 1981. Some writers say that there is a steady regression and that we will not be able to reach the level of the 1970's. I have no intention of claiming that we have already caught up with all the arrears of the crisis. But there is no way that progress can go unnoticed. The facts are evidence of progress. Let us take, for example, an area that has been criticized, such as the book market. In 1975, during the peak of the boom, 143.9 million books and brochures were published. In 1980, at the beginning of the crisis, 147.1 million, and in 1984, 229.8 million. The state of our hospitalization is very much criticized. Let us count the

number of beds in hospitals. In 1975, there were 188,400; in 1980, 200,000; and in 1983, 208,500. A third example: we are experiencing inadequate supplies of television sets, especially the black and white. Let us consider the number of viewers. In 1975, there were 6.5 million, in 1980, 7.9 million; and in 1983, more than 8.5 million.

[Question] But this is not proof of complete elimination of the results of the crisis.

[Answer] I did not intend it to be such proof since that would be untrue. I only wanted to convey the idea that during the years from 1982 to 1985 our country experienced definite development in some areas, although it was not, to be sure, as rapid as we might have wished.

Let us return, however, to the critics. They make a great deal of noise about the weaker results of our management in 1985. No one, especially among responsbile people, questions the fact that the past year was worse than our plan anticipated. But if we want to evaluate the matter objectively, we must look at the developmental trends. Here, in comparing the dynamics of growth in industrial production in specific quarters, we see the following picture: the first quarter of 1985 compared to the first quarter of 1984, 100.7; the second quarter, 103.7; the third quarter, 104.0; and the fourth quarter, 106.7, respectively. The dynamics were toward an increase. In the same way, we cannot speak of stagnation in 1985. If, however, we treat the matter more broadly, then we have, of course, carried out the three-year plan in the basic indicators despite external conditions that were not always favorable, and relations with the capitalist countries that were decidedly unfavorable. Even western experts, who cannot be accused of having political sympathies for Poland, stated in a report published at the end of 1985: "Beginning with the second quarter of 1982, there has been a revitalization of economic activity."

[Question] Since we are speaking of the results for 1985, a dark point is, perhaps, export to the second payments area.

[Answer] This is quite true, but this point is not as dark as it is sometimes presented. It is, moreover, an area on which our critics concentrate their attention. They accuse us mainly of a lack of pro-export tendencies in our economy.

[Question] And is this not true?

[Answer] I would be the last person in Poland to express satisfaction with the level of export to both payment areas. First of all, we have too little participation in industrial production for export, in production in general, and by the same token, the structure of export is not commensurate with our economic potential. Too few enterprises are interested in expanding to foreign markets. This unsatisfactory state of affairs must not, however, hide objective facts. First, since the beginning of the 1980's, we have been faced with objectively unfavorable conditions in trade with capitalist countries (weak relations, increasing tendencies toward protec-

tionism, and finally, an unfavorable political climate). Second, in its assortment, our export to the second payments area was equal (in constant prices) to the highest export level in 1980, but we must remember that the record results of 1980 were achieved as a result of the decision to remove a significant amount of goods from the internal market and from internal supplies.

[Question] In value, however, we have a distance to go to the $8 billion that we obtained from export in 1980.

[Answer] This is true, but the export effort must be evaluated through the prism of volume. Also, we must take three factors into account. First, I would list the drastic drop in imports from capitalist countries through no fault of ours. In the material sense, today we import approximately 50 percent as much as in 1980. Neither can we omit the open problem of great losses, in the order of several billion dollars, that our economy suffered as a result of restrictions. Finally, we must remember that in the years 1981-1985, we were granted $7.5 million in credit and have paid our creditors more than $13 billion.

These three factors indicate the degree of encumbrance of our national economy, which in spite of this, was able to return to trends toward development. This was done, however, at a definite cost, and I would like to mention yet another proinflation factor. The fact that our economy was capable of this effort is the best evidence of its controllability and of our readiness for complete normalization of financial-economic relations with capitalist countries. Nevertheless, there is no suitable response from the other side.

[Question] Undoubtedly, we were encumbered with paying interest on credits to western creditors. At the same time, we did benefit from credits from the USSR.

[Answer] Up to 1980, our trade with socialist countries was in balance. In the last few years, we did take advantage of credit assistance, principally from the USSR. These are credits under very favorable conditions (low interest rates). This situation will persist for two or three years, then we will return to a balance in trade in order to pay off our indebtedness on time. This is a result of the process of coordinating multiyear plans with the CEMA countries. I do not want to say anything more on this subject since it deserves a separate, broader discussion. It is, however, an indisputable matter that cooperation with the CEMA countries is our one possibility for modernizing our economy. The West has fenced itself off from us with an embargo wall. Not to notice this and to undervalue at the same time the significance of our ties with CEMA countries has nothing in common with objective economic analysis, but views of this kind can be found even in seemingly serious publications.

[Question] In concluding our conversation, I would like to ask for a comment on what is being said on the subject of the supposed breakdown of the economic reform.

[Answer] Instead of answering this, I will quote the words of General Jaruzelski in his speech before the Commission on Economic Reform: "Reform, as is apparent from the word, is not a static category; based on fundamental principles, it should constantly improve its forms, its specific solutions and mechanisms, and this is, after all, what has been systematically realized in the past years."

2950
CSO: 2600/281

LETTERS TO AGRICULTURAL FUND COMMITTEE REVIEWED

Warsaw PRZEGLAD KATOLICKI in Polish No 6, 9 Feb 86 p 3

[Article by Slawomir Siwek: "Letters from Farmers: Waiting for the Foundation"]

[Text] I analyzed 140 letters that came to the Organizing Committee of the Agricultural Foundation in 1984 and 1985; these letters pertained to most important matters. I saw 106 personal applications for work or cooperation with the Foundation. Finally I saw 223 farm applications that were at that time on the agenda of the Committee. The applications were sorted into 10 programs that the Foundation intends to implement.

The letters that came pertain to social questions (relief, outright grants in connection with natural disasters or the age of the farmer) as well as questions of credit (questions on the conditions for credit to be granted, or application for credit), or purchase assignment of farm machinery. This type of petition appeared more often at the beginning phase of the venture. In 1982 and 1983, the majority of the letters asked for charitable assistance, many of those applying personally to the Foundation believed that the "Church is creating still another charitable committee."

Some of the letters pertained to conditions for obtaining help with credit for developing a private shop for manufacturing or for providing a service. There were also general statements and remarks of the writers about ideas and institutions of the Foundation. These are sent to the experts working on the programs, and some of them become the subject of discussion for the whole Committee. It should be stressed that there were very few letters that attacked the idea, undermined its significance, or questioned whether it makes sense in general in our economic system. These came from city people and not from the farmers.

Finally, there were quite a few letters asking for additional information about the Foundation because the writers were interested and wanted to send in specific economic applications.

The Committee also has in its folders a special group of letters. These are applications written in the name of parishioners or by the pastor of a village parish himself. From these letters, it is clear that whole villages, not just individual farmers, are expressing great needs.

There are also expressions of a desire for economic cooperation sent by directors or presidents of various enterprises or associations. These expressions are evidence that if the Foundation becomes a part of the system of a reformed economy, such cooperation is not only possible, but is necessary. These letters indicate also that many leaders of enterprises know how to work without restraint, and how to cooperate with institutions of a new kind without being afraid of the economic risk of such cooperation. This is encouraging and constitutes an interesting motivation for discussion of the possibilities of Poles working under normal relations and economic conditions.

Perhaps this is the source of the concern of Jan S., of Warsaw, who in his very serious letter, shared his thoughts on this subject; he wrote that "...we must aim at the Foundation's having a lasting character." This is true -- there is nothing worse in managing than uncertainty about tomorrow. Jerzy K. from Radom Province, in a comprehensive "Discussion of the Proposed Foundation," wrote: "We must remember that the effectiveness of Polish agriculture depends not on the producers, but on the policy under which they operate, on certain economic mechanisms and moves of the authorities."

Meanwhile, Edward W., a farmer from Rzeszow Province added, "...during the last few years (especially in the second half of the 1970's) the Polish village suffered a significant transformation, particularly in certain places. It became a territory to which for the first time in history there was a massive flow of all kinds of technical equipment: tractors, automobiles, agricultural machinery. It was turned into a construction site in which much was invested in various ways. Observations indicate that almost 2/3 of the newly built construction in the villages actually appeared in the 1970's. Unfortunately, this advantageous process was not, and here lies the principal error, accompanied by a process of concurrent creation of a broadly understood infrastructure...specifically: there were inadequate supplies, neglect of important consequences resulted in bringing technical equipment to the villages without at the same time creating in them a network of points for servicing the equipment. Analogous to this is the problem of expanding the investment front in the villages and the gradual decline of interest in the possibilities of obtaining raw materials and producing construction materials. The Polish village...is experiencing a complete lack of service points for this mass of technical equipment..."

Let us now hear directly from those who are interested. Their letters speak for themselves. This is only a small fragment of the correspondence that comes from the villages. Perhaps the time will come for sociological and economic analysis of these voices; they give us picture of life, work problems, and cogitations of half of society, a picture that is not dimmed in any way, and is directly and indirectly connected with the part of the economy that is basic to our existence.

[Excerpts from Letters to the Foundation]

I would like to express my great concern about the Agricultural Foundation and its particular interest in the farmers of Pomorze. They place great hope in the activation of new departments for producing foodstuffs and in a certain increase in the numbers and modernization of machinery and equipment. The state of Polish agriculture continues to be catastrophic with respect to supply of machinery and equipment in view of the further drastic increase in prices of machinery as of 1 July 1985, as well as the scarcity of machinery and the difficulty of procuring it, even if the farmer has the money. -- Ludwik M., Gdansk Province.

(...) The Agricultural Foundation was established by the Church in agreement with the government for the purpose of helping individual farmers, who have been undervalued for years, although they feed us and have fed us; we must speed its implementation. Let all Polish organizations abroad and others rise up to revive the national economy, but the government of the Polish Peoples Republic must go forth to meet them... -- Konstanty Z., from a letter to the marshall of the Sejm, copy to the Agricultural Foundation.

(...) opens with an order for a set of equipment and pipes for building an artesian well and water pipeline. This would be a project for the parish of the village R. in Radom Province... (...) hereby presents the requisition of the village K. for the construction of a water pipeline and restoring to service the stopped up artesian well. This project is of interest to 150 families, and the construction would be sponsored by the pastor of the local parish... -- Leokadia G., master of law, farmer.

Those now living in our village number 367. We would like to inform you that in our village, as in the neighboring villages, there are no shops of the water-sanitation branch... At present, our committee has ordered documentation for a water conduit network (each farm would have one water terminal). We already have a project director who undertook to prepare the documentation for reconstructing the water supply to the tannery to supply the village with water. We have had initial discussions with the contractor who undertook to build the water conduit network... -- Community Committee for the Construction of a Water Conduit in Ch., Zamosc Province.

I am turning to you with a request that our cooperative be assigned a grain and potato combine. Our village, numbering 60 houses and 14 outlying establishments, has no machine of that type... -- 14 signatures, Biala Podlaska Province.

A team of specialists in agriculture of the pastoral center in S. would like to inform you that the local peasant farms need the following production equipment: (list)... -- five signatures, Tarnobrzeg Province.

We (three persons) are at the stage of organizing a plant for producing insulating-structural elements for village construction. We have the necessary materials base. We need to find a cooperative consultant so that what we produce would be easy to dispose of and would be entirely up-to-date. -- Adam T., Katowice Province.

There are 18 farms of average size in our village. The village would be glad to buy machinery and a tractor. I am a driver and mechanic. I would gladly undertake to serve the farms and to repair the machinery... -- Barbara and Jaroslaw C., Bialystok Province.

I have at my disposal an unusually large site on which stores and umbrella roofs could be built with the assistance of the Foundation. On this site, we could also set up a district service point and emergency repair station for equipment received from the Foundation... -- Antoni H., Ciechanow Province.

With the help of the Foundation, my family and I could enlarge our shop and provide services to the village in the fields of general locksmithing, installation of water canals, and even tractor repair... -- Kazimierz J., Lodz Province.

We had the idea that with the help of the Foundation, we could refurbish our old school and create some kind of center for agricultural information here... Stanislawa M., Siedlece Province.

I am asking you kindly to get me some farm machinery... My request is motivated by the fact that for five years I have been asking for these machines with no effect; many are willing, but the state allotment is small in our region... -- Franciszek Z., Hrubieszow Community.

(...) I have thus far not received even one farm machine from the administration of the community; I need this machinery very much on my farm. In connection with this, I sincerely ask the Organizing Committee of the Agricultural Foundation to make it possible for me to buy farm machinery... -- Edmund P., Czestochowa Province.

[----] [Regulation of 31 July 1981, On the Control of Publication and Spectacles, Art 2, Pt 6 (Official Gazette, No 20, Item 99, revised 1983, Official Gazette, No 44, Item 204)].

(Excerpts of materials published in the Circular Letter of the Polish Episcopate, No 51/85, edited by Slawomir Siwek.

2950
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BRIEFS

COMMON MARKET REPS ON POLISH FOREIGN TRADE--The subject of the discussion between Chairman of the Polish Chamber of Foreign Trade R. Karski and representatives of the chemical and petrochemical industries' associations of the ECM countries M. Cockburn and R. H. Hoskin, on the 16th of this month, were the means of functioning of the Polish exporters in foreign markets. M. Cockburn also gave a lecture devoted to the problems of ECM. [Text] [Warsaw ZYCIE WARSZAWY in Polish 17 Sep 85 p 2] 12916/7687

CEMA MEETING ON ENERGY--The 10th session of the representatives of CEMA countries with participation of scientists from Yugoslavia and Finland has begun at Cracow's Stanislaw Staszic Academy of Mining and Metallurgy. Among other things, participants of the meeting will reach agreements on the subject of common plan of research for 1986 and in the next 5 years in the area of work on unconventional energy sources. [Text] [Warsaw ZYCIE WARSZAWY in Polish 17 Sep 85 p 2] 12916/7687

CEMA COAL INDUSTRY COMMISSION--On the 23rd of this month a delegation of Polish coal industry representatives left for Bucharest. The delegation will take part in a several-day session of the Permanent CEMA Commission for the Coal Industry. The deliberations of the Permanent Coal Commission will take place in Dewa, and will be presided over by the permanent chairman of the commission, minister of mining and metallurgy in the Polish People's Republic, Czeslaw Piotrowski. Among things presented at the session will be information about the results of coordination of coal industry plans of CEMA countries for the years 1986-1990, means of increasing cooperation in scientific-technical fields as well as in the area of work safety and mining machinery industry. Poland's proposal pertaining to the joint exploitation of coal deposits in Lublin Coal Basin will also be discussed. [Text] [Warsaw RZECZPOSPOLITA in Polish 24 Sep 85 p 2] 12916/7687

CSO: 2600/52

INDUSTRIAL RESTRUCTURING TO SAVE ENERGY, RESOURCES

Bucharest REVISTA ECONOMICA in Romanian 4 Jan 86 pp 13, 15

[Article by Gheorghe Manea: "Decisive Actions and Measures for Developing the Country's Energy Base: the Complex Integration of Industrial Platforms--a Way To Minimize Energy and Material Consumptions"]

[Text] The economization of the resources per unit of useful effect constitutes an objective law of economic progress, with the maximally efficient utilization of natural resources representing a central problem in the management and performance of all economic activity. In practice, the economization of resources covers a variety of solutions: the improvement of processing technologies to raise outputs in turning raw materials into finished products, the use of substitutes for scarce resources, the recovery and utilization of manufacturing byproducts, the reintroduction of reusable materials into the economic circuit, the reconditioning of parts and subassemblies, etc.

Among them, the recovery and utilization of manufacturing byproducts stand out as a first-rate solution due to the large volume of resources found in the form of manufacturing byproducts and scrap and due to the possibility of further processing into finished products. Clearly, the first form of utilization of byproducts is the recycling of them in the same manufacturing process, but most of the time this is not possible, and then the processing of byproducts must be done in separate installations, which may or may not be in the branch's field of production. The recovery of manufacturing byproducts and the utilization of them in installations differing as to field of production stand out as a chief attribute of the complex integration of industrial platforms.

Devised relatively recently (after the energy crisis in the 1970's), the concept of complex integration has as a basic objective the minimization of the consumption of material resources in an industrial zone; the objective is concretized in a certain organization of the industrial platforms. The horizontal integration of the industrial platforms, of the installations that generate manufacturing byproducts and of the ones that can efficiently process them, is characteristic of this organization. The novelty of the concept lies in combining--along the line of manufacturing products--industrial installations in a different field, such as, for instance: ferrous metallurgy and chemical fertilizer, oil refining and coal chemistry, coke chemistry and

petrochemistry, etc. Also known in the economic literature by the term "conglomerates," the horizontally integrated industrial units are linked functionally by transportation networks (which can attain hundreds of kilometers in length) over which the manufacturing byproducts circulate from the suppliers to the consuming units. Such supplier-consumer "tandems" can be offered by many kinds of manufacturing:

Oxygen-blast steelmaking has as a byproduct concentrated carbon oxide (64 cubic meters of oxygen are consumed to make 1 ton of steel), which the chemical industry can process for the synthesis of intermediate compounds and finished products (methyl alcohol, organic acids, carbonization processes, etc);

The nitrogen resulting as a byproduct from installations for obtaining oxygen in ferrous metallurgy can become a basic element in the obtaining of nitrogenous fertilizer;

In addition to coke for ferrous metallurgy, combustible gas (rich in hydrogen) and tar are obtained from coal-coking installations; 2.34 million cubic meters of gas, including 1.3 billion cubic meters of hydrogen, are obtained for an output of 5 million tons of coke. After separation, the hydrogen can be directed to the chemical industry for the synthesis of ammonia and methanol, to coal chemistry for the synthesis of synthetic fuel, to oil refining as an agent for desulfurization and hydrofining of petroleum fuel, to the machine-building industry for cutting and welding operations, to the power industry for the generation of electric and thermal power, etc.;

The hydrogen, with a 62 percent concentration, that is obtained from the synthesis of acetylene from methane gas can be used to reduce iron ore in the modern procedures for obtaining spongy iron;

High-purity carbon dioxide, a byproduct in the making of ammonia or a result of fermentation processes in the food industry, can be used as a refrigerant, dry ice, in foundries in the metallurgical industry, in the chemical industry, for the obtaining of sodium carbonate, for injection into oil deposits to reactivate crude oil, as a medium for carrying pulverized coal in coal ducts, or in the food industry (carbonated beverages etc.);

Oil refineries generate as byproducts combustible gases that contain valuable components (ethane, propane, etc.); these components are also found in associated gases. The utilization of them, alone or together, can bring petrochemical raw materials into the economic circuit, with oil importation being reduced on this basis;

From the ferrous metallurgical units, from the CET's [thermoelectric power stations] that operate on the basis of coal, from the pyrite-burning installations (in sulfuric acid plants), from nonferrous metallurgy, etc. come large amounts of ash and slag that, suitably processed, enrich the list of useful products.

However, not only high-tonnage byproducts but also many other byproducts, in varying amounts, that accompany production activity are specific to the

effecting processes. The inventorying of them, the physicochemical characterization, the collection and the utilization of them are activities more difficult to organize and perform than the reintroduction of high-tonnage byproducts into the economic circuit; however, they can stimulate the local development of small and medium-sized installations.

The horizontal integration of the economic units--according to the above-mentioned concept--begins with the utilization of high-tonnage manufacturing byproducts, which justifies the achievement and operation of industrial installations with optimum processing capacities from an economic viewpoint. As a world practice common to the industrially developed countries, in the horizontal integration of industrial platforms several trends and forms of organization have appeared, of which the following stand out: the collection of combustible gas byproducts (hydrogen, carbon monoxide, methane, C_2+ components, etc.) from the installations where they appear and the sending of them to potential consumers, which extract from the gas mixture the component needed by them and return the rest of the components to the network; the achievement of networks for direct transportation between installations complementary as to field, such as ferrous metallurgy and nitrogenous fertilizer, coke chemistry and petrochemistry, etc.; the achievement of networks specializing in primary elements (raw hydrogen, for example), which take the residual hydrogen from sodium-chloride-electrolysis installations, refineries, coking plants, etc. and direct it to the coal-chemical installations, ferrous metallurgy, machine building, etc. The same type of network can be conceived for carbon dioxide, which can cover a wide range of uses in the territory's economy. For low-tonnage byproducts a variety of means are being tried in order to return them to the economic circuit, means difficult to handle because they involve small producers, in particular, which are numerous and scattered over a vast territorial area and, in general, lack research and development sectors of their own that would devise technologies for processing the byproducts in the area.

The practices which have asserted themselves and which could be of interest for application in our country too are the following:

a) The founding of a research institute for the utilization of manufacturing byproducts, organized with territorial branches. Information about all inventoried byproducts in the economy, characteristics, and quantitative evaluations are kept in the institute's data bank. The institute's main tasks consist of establishing the conditions for storage and packaging, transportation, and utilization of byproducts, approving the technologies and equipment for utilization, and disseminating--for generalization--the research performed. For byproducts that do not yet have conditions for utilization, the institute indicates solutions for storage or neutralization; the last variant is recommended in the case in which they cause pollution;

b) Another form of organization, characterized by the facilitation of contacts between suppliers of and (potential) consumers for manufacturing byproducts consists of the so-called "scrap exchange," or a central organization (at the level of the national economy) with branches in the main industrial zones. This organization collects data and information on all manufacturing byproducts and scrap (including reusable materials coming from the network of the

population's consumption), on the known technologies for utilization, and on the place where they are practiced. The selling and purchase prices of the manufacturing byproducts are set directly by the parties involved; the organization that facilitates the contact between the partners gets a commission from the volume of sales.

The vertical integration of industrial platforms is meant to ensure the normal operation of the economic units, independent of the economic and political situation on the market supplying raw materials. This trait specific to the complex integration of industrial platforms is concretized in: the promotion of alternative sources of raw materials, the securing of big reserve stocks (with corresponding technical and financial implications), and the providing of at least one source of supply of their own that would offer stability over time to the operation of the economic system.

Vertical integration is a component of the strategies for developing groups of products or industrial platforms; the harmonization of territorial development by "assembling" the strategies proper to each production unit must be done in accordance with the objective of the complex integration of industrial platforms. The utilization of the concept of the complex integration of industrial platforms as an instrument for the minimization of material consumption on a territorial basis entails:

1) The inventorying of the manufacturing byproducts coming from the industrial platforms that are situated on a relatively limited area (about 7,500 square km) and from all economic units on this area;

2) The possibility of the utilization of byproducts with the following being taken into account: the concentration of useful components, the technologies suited to utilization, and the efforts needed by the research and development sector for devising or assimilating the technologies needed for utilization and the corresponding implements and equipment; the economic units existing on the territory that can use manufacturing byproducts as raw materials; and the plans for economic development on a territorial basis;

3) The state's involvement for the financing of the construction of the main networks for transportation of manufacturing byproducts to consumers as well as the granting of loans for the operations of storage of byproducts until the solutions for utilization are found;

4) The founding of a central institute (with zonal branches) with a view to securing the utilization of low-tonnage byproducts;

5) The orientation of the programs for investments and for renewal of the fixed assets of the existing production units in order to delineate the integrated industrial platforms.

The possibilities offered for the development of the local economy and industry by byproducts from large-scale industry are immense. Among them are: the fertilization of soil by means of residual water containing ammonia coming from ammonia-synthesis installations; the taking and further processing of

"offgrade" products from large-scale industry (finished products with characteristics below the quality standards) by local industry; the obtaining of construction materials (including of a composite type) from manufacturing scrap and byproducts; the utilization of residual carbon dioxide from large-scale industry or from fermentation processes in the food industry for the intensification of agricultural production in hothouses, the manufacture of carbonated beverages, the intensive cultivation of biomass, etc.; the founding of units for the reclamation of lubricants, the reconditioning of spare parts, the gasification of manufacturing byproducts (polymer scrap, wood scrap, etc.); and so on.

For Romania, a country where industry has been developed, in particular, in units of large dimensions, "the filling-in of the area of influence" of the industrial platforms with units of small-scale industry has become an urgent necessity, bearing in mind that they can efficiently and rapidly utilize manufacturing byproducts without requiring massive displacements of human groups or the making of large expenditures for achieving the infrastructure corresponding to the urban settlements adjacent to industrial platforms of large dimensions. Small-scale industry entails minimal energy consumptions, possible to provide from secondary energy resources from large-scale industry, and low capital investments for the means of production. The implementation of the first units of small-scale industry (in the 1986-1990 5-year period) under the auspices of the big enterprises could represent a solution for initiating a massive program for developing the small production units throughout the national economy, thus creating the system of the effects characteristic of industrial platforms with complex integration.

12105
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INCREASED RESPONSIBILITY IN MANAGING ENTERPRISE PROPERTY URGED

Bucharest REVISTA ECONOMICA in Romania 4 Jan 86 p 17

[Article by Stefan Craciun: "The Growth of Responsibility in Administering the Enterprise's Holdings"]

[Text] The qualitative elements of the administration and development of socialist property acquires a special importance in the process of intensive development.

In this context, we want to dwell on the necessity of firmly following all instructions and provisions with regard to receiving assets and taking them under administration. To this end, in all enterprises it is imperative to understand the objective necessity of strengthening the direct collaboration of the technical personnel with the economic and financial personnel. It must be understood fully that the fulfillment of obligations such as the active participation of all members of the commissions with powers in the field in the reception of assets and the actual, direct performance of it, the timely detection of any differences between the data in the documents and the facts, the recording of assets for accounting and administration, and others are tasks not only of the financial and accounting personnel but also, equally, of the technical personnel, who can and must contribute responsibly to the performance of such activities.

In all enterprises it is necessary to act more consistently so that the materials supplied as well as the products made may have the proper storage spaces provided, which would prevent the damaging, destruction, loss or waste of them; so that the measurement, weighing, and control apparatus may be kept in perfect operating condition and may be used properly, where the production process requires it; so that personnel with suitable training may be provided at the places for reception, preservation, and release of all assets; so that in the production sections perfect order may be provided in positioning the raw materials and introducing them into manufacture; and so on. All these aspects are not minor at all if, for example, we specify that, last year, the control bodies of the Ministry of Finance identified in some enterprises millions of lei in losses of public property because the storage and preservation of the assets were done improperly and, as a result, they were damaged and deteriorated.

The fact is known that any movement of material and monetary resources is achieved on the basis of documents that contain data referring to their quantity and quality. In this field, for some operations that reflect the growth or decline of the holdings of the socialist units for which forms such as receipts, checks, shipping notices, invoices, waybills, or purchase statements are used, a special system of reception, recordkeeping, release, and control is stipulated in the provisions in force. The utilization of these documents through the instituted channel is meant to secure at the same time both the supervision of the circulation of each copy of these forms and, in particular, the accuracy of the data in the documents in question and the agreement between these data and the material and monetary resources actually in movement. In a close connection with this, the activity of guarding the assets is also regulated, an activity within which a special accent is put on organizing the guard posts and instructing the personnel entrusted with performing the guard and on exercising strict control regarding the entry and exit of all material and monetary assets to and from the socialist units. Practice has demonstrated that even in these so clear and precise matters there are shortcomings and deviations, which, at first sight, can seem minor and routine but which have in numerous cases detrimental consequences for the holdings of the socialist units, because not everywhere are the circulation and the accuracy of the date on the special-system forms noted and checked rigorously, is the gate inspection performed with maximum efficiency, and are all means of transportation that enter and leave the socialist units recorded.

The periodic inventorying of the component elements of the holdings of the socialist unit constitutes one of the main methods of preventing the cases of poor administration, waste, and theft of public property. However, it must not be understood as a task of just the financial and accounting apparatus, there being prevented the formal, bureaucratic performance of it without actual verification of each item on the spot. The inventorying must be performed thoroughly in joint actions of the economic personnel and the technical personnel, who together, on the commissions appointed in accordance with the law, should record both quantitatively and qualitatively the elements of the holdings, for the major purpose of having reliable data available that would give the management personnel the chance to make decisions regarding the continuity of the production process and the growth of its efficiency, to set the policy for creating and utilizing the stocks in accordance with the economic and financial possibilities at any given moment, and, if the situation requires it, to hold responsible those to blame for causing losses.

With a view to the proper administration of the holdings, a particular importance also goes to strengthening the responsibility of each working person. It must be manifested in two main directions: for strengthening, first, the responsibility with a general character, applicable to any person engaged in work, regardless of the position held, and, second, the clearly indicated responsibilities according to the positions held, of management or execution. In both cases, however, the essence of the strengthening of the responsibilities is that, on the basis of thoroughly studying the meaning of the state's laws, each working person must act firmly in a dual sense: on the one hand, to not himself commit infractions or violations of the laws and, on the other hand, to fulfill his official duties in such as way as to be relentless in

holding responsible those who are guilty of acts contrary to the provisions in force. In this framework, the matter of establishing the obligations as clearly as possible and having them understood in advance by each working person, through the recording of them in the job description or in other documents, is also essential, in our opinion.

12105
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CROATIAN FOREIGN TRADE DEFICIT IN 1985

Belgrade PRIVREDNI PREGLED in Serbo-Croatian 31 Jan 86 p 2

[Excerpts] Last year Croatia exported $2.491 billion worth of goods, accounting for 23.8 percent of total Yugoslav exports (and 25.4 percent of the Yugoslav social product) and imported $2.805 billion worth of goods.

Last year this republic collected $788 million from all exporters to import 902,000 tons of coking coal, 2.887 million tons of oil, and 401,000 tons of oil derivatives. This is 28 percent of the value of Croatia's total imports. In regard to coverage of imports by exports, Croatia remains, as in 1984, in sixth place among other republics and provinces with only $88.8 of exports covering $100 of imports, or 9 percent more than the Yugoslav average. The final result is a $314 million trade deficit.

In earlier years Croatia, like others who have oil refineries, had a more favorable export/import relation in the convertible currency area than in the clearing-account area. Now the situation is entirely different. In regard to coverage of imports with exports in the clearing area, Croatia surpasses Serbia and is in third place after Kosovo and Montenegro. [Exports from] shipbuilding and delivery of ships to the USSR have contributed to this.

Exports to the convertible market amounted last year to $1.248 billion, or only 1 percent more than one-half of total Croatian exports. Imports amounted to $1.939 billion, or 69.1 percent of all imports to this republic and 24.3 percent of Yugoslav imports, so the deficit was $691 million, or 41.6 percent of the total deficit of the five republics and two provinces with deficits (Slovenia had the only favorable trade balance last year). Coverage of imports by exports amounted to 70.6 percent, compared to the country average of 80.3 percent.

The deficit on the convertible market was more than halved by the positive balance on the clearing-account market where Croatia exported $1.243 billion worth of goods, a little more than three-tenths of Yugoslav exports to this area and 1 percent less than one-half of Croatia's total exports last year. It imported $866 million worth of goods, resulting in a favorable balance of $377 million.

/12947
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IMPLICATIONS OF FOREIGN TRADE REGIONAL STRUCTURE

Zagreb DANAS in Serbo-Croatian 5 Nov 85 pp 25, 26

[Article by Ivo Jakovljevic: "A Narrow Door to the West"]

[Text] Are the so-called Eastern markets becoming more attractive for Yugoslav export even as our own market is perhaps becoming more attractive (even temporarily) for that economy?

Time is a witness (and in such matters one unlike any other) that Yugoslavia, whenever it has entered a crisis has done so through excessive import from the West and obligations to it, and that whenever later Yugoslavia tried to emerge from the crisis it tightened Western imports and increased the sale of its own goods on the Eastern markets, and that finally whenever Yugoslavia planned to radically increase its position in the world economy, then it strived to do so by increased export to the West. All three aforementioned phases of the same developmental process so far have several times repeated themselves almost cyclically, which today leaves open the question once more: Is the movement in recent months of Yugoslav goods to the East excessive, temporary, or perhaps lasting, or is there in sight for us some kind of new penetration through the ever-narrower door of competition to the markets of the most developed Western countries; will there follow a period of Yugoslav technological and developmental regeneration; will this same tale repeat itself on a higher, equal or perhaps lower socioeconomic level than the existing one?

Instead of some pseudo-philosophical palm-reading for the answer to the question of what awaits us (does anyone still think it can be known?), we shall attempt to answer the question using the latest data on foreign trade of Yugoslavia, which we have come upon recently. Consequently, the Yugoslav economy from early January until the end of October increased its total exports by some 8 percent, while simultaneously imports increased only 3 percent. If one adds to this the expectation that the social product will grow by only 1 percent this year, it is clear that the export results, however distant from those planned, are still one of the brightest spots of Yugoslav developmental and economic policy.

However, on the reverse side of these data on export success is the completely different side of the coin, which calls almost all of this into question, or at least introduces a new question of a strategic nature. That is: Can

Yugoslavia extricate itself from the crisis if it keeps exporting more to the East, and less to the West, along with an absolute decrease in trade with developing nations? Or, how will the economy get out of this crisis, in whose structure of export raw materials, semi-manufactured goods and unfinished products once more prevail? And how can dollars, or equivalent dinars, be earned by such exports, when our competitiveness, especially in Western markets, is getting ever weaker, when in an era of new scientific-technological revolution, we offer the world mostly goods with which we could possibly have prospered only in the already distant sixties?

Exception and Rule

Be that as it may, even Yugoslavia does not find it easy to create the image of a white sheep among heavily indebted nations, when on the world market in the last 2 years the increase of mutual trade has been achieved above all by the most developed industrial countries, while the heavily indebted, especially Mexico and Brazil, record the largest export failures. Is it possible in general in that context, in the middle of the common mire of debt, for Yugoslavia to be the exception to the general rule?

Our advantage, the only one which possibly still exists, is precisely in the ever-cheaper share of our labor cost in exports, especially on the most discriminating, convertible market. One witness to the aforementioned thesis is our export of the Zastava "Yugo-America," which came about due to the exceptionally low cost of labor in the Yugoslav economy (compared with international competition in that and similar areas of exchange). It could be said that just now, when in many ways we are scraping the bottom in regard to standards, quality and efficiency by European dimensions, our chances for export are growing, under the assumption that as soon as possible we will be openly included in the world technological revolution.

For such an undertaking, indeed, what is needed above all is that correct maneuver: the introduction of market selection in the domestic market, without which, considering the cumulative expenses of production and of the superstructure, which are now the question, it is almost inconceivable to step through that narrow and ever-narrowing door of trade with the West, whose banks we currently owe about $18 billion in principal and approximately the same amount in interest, fees and profit margins. In short, from this perspective one can freely conclude that the basic problem of the Yugoslav economy today is how, in the shortest period, if possible sometime before 1990, can export be doubled, and in that scope above all on the convertible market, so that the whole bag of our foreign debts would become somewhat bearable for the Yugoslav working class and for the price itself of our goods on the international market.

It seems plausible in today's structure under the burden of debt and impossibility of catching up with the world's most technically developed nations that we must sell ever more goods to East European socialist countries, which still significantly lag behind Western competitors in their productivity and

technology and in the quality of supply and demand. So they are, apparently and at least temporarily, our most open trade outlet, just as we, within our own parameters and with a declining share in the world economy, are the same for them today and will probably be so for a few years more.

Technological Lag

The latest estimate, of written-off and obsolete domestic technology, has shown that Yugoslavia, because of limiting imports after 1979 as a result of indebtedness, has swallowed a large, bitter pill. The level of equipment write-off in the most dynamic and export-oriented branches of our economy is somewhere from 68 to 80 percent, and with such a balance it is indeed difficult to expect greater export penetration into the most technologically complex world markets. Found in these figures is also one of the reasons why the policy of a more realistic exchange rate of the dinar, which has been intensively carried on for 3 or 4 years already, can no longer provide that which was (exaggeratedly) expected of it: i.e., that this policy alone would solve all questions of the stimulation of export and restructuring of Yugoslav production. Thus, even though the rate of the dinar slid by almost 55 percent from the beginning of the year until the end of October, all the same our competitiveness in Western markets has not increased, although it still holds fairly well in the East. Isn't it then completely logical that a considerable portion of goods simply move to the Eastern markets, so that the coverage of import by export in the first 10 months of the year was almost in total equilibrium, while on the Western side it fell to only 68 percent!

In the mid-sixties, in its economic strategy, Yugoslavia advanced the rule by which our foreign trade was required to tend toward a regional exchange structure, that is, two-fifths of world trade to be carried out with Western countries, two-fifths with Eastern countries and one-fifth with developing countries. However, our latest data show that in export, one-half our goods also this year went to the East, one-third to the West, and only one-fifth to developing countries. At the same time, on the import side, less than one-third of imported goods came to us from the East European socialist countries, somewhat less than half from the West and one-quarter from developing countries. When all this is added together, the planned formula is being realized, but its final balance is expressed in our debts, which would be difficult to repay without rescheduling or taking new credit.

What could be most worrisome to Yugoslav economic planners is the fact that in the last 5 years, and especially last year and this year, the export items which increased most in Yugoslav exports were from those branches which are primarily labor-intensive (a cheap labor force?), for example: production of leather and shoes, chemical products, electric machines and appliances, shipbuilding, ferrous metallurgy and furniture. These branches at the same time made the greatest contribution to the somewhat increased movement of our exports to the East.

At the same time severe import limitations affected most the export of those products which until then had been traded primarily with the West, so to a certain degree it is more understandable why our quantitative export to developed Western nations today is barely greater than it was in 1980! It is difficult to blame either economic policy or only the exchange rate of the dinar and other segments of that policy for all this. Obviously, in its totality, our economy, with its present expenses, organization and lagging technology, cannot, just like that, pass through the narrow door of trade with the West.

Like some sort of third side to the coin of trade in question, in recent months discussions on the new 5-year plan of development to 1990 have taken place in committees of the Assembly of the SFRY, in which (in the discussion of general illiquidity) the additional question was opened up of channeling the remaining capital accumulation to individual developmental programs. So there is a further dilemma: should more domestic capital go toward developing production of raw materials, energy and food, or should the majority remain with banking organizations, which would allocate it, above all, to increase export-oriented production. Metaphysically, the following question arises: can this export-oriented production in general increase without a solid base of raw materials, energy, and even food, [the importance of which is seen] only in the slogan "[important] as our oil."

The Cost and Direction of Togetherness

Therefore, great expectation surrounded the papers of the Chamber of the Economy of Yugoslavia, whose task was to prepare "in harmony with the new law on social planning" a third, highly controversial section of the 5-year plan of the nation's development, the so-called joint directions of development of the country, development of which would allegedly possibly tie up almost 70 percent of the planned capital accumulation. Thus, the Chamber of the Economy of Yugoslavia has envisioned 16 joint directions of development, among which are energy, railroads, post-telephone-telegraph, highways and programs of an export nature, such as the "Yugo" automobile, metal processing, ferrous and nonferrous metallurgy, forestry and the lumber industry, textiles and clothing, leather and footwear, tires, sea and river traffic and tourism. On this basis, the Economic Council introduced its estimate, according to which export by the end of 1990 could total exactly 26 billion dollars, therefore almost double what it is this year. Such an estimate meshes almost to the dollar with another, previous calculation, according to which the Yugoslav economy, for normal economic activity in the last year of this decade will require at least $26 billion for normal needs and regular repayment of foreign debts which come due. Somewhere behind these figures there is supposed to be the estimate that from 1986 to 1990 Yugoslavia could be in debt an additional $15 billion!

In any case, the criteria of the world market and cost economics as such still remain to be introduced above all into the domestic market in order for any part of the Yugoslav economy to have some place in the world market, especially in its most developed Western part. All this should be fostered by the latest

changes in the economic system (in banking, foreign currency, accounting, etc.) as well as in a new series of measures of the economic policy aimed at reducing inflation and strengthening a united Yugoslav market. The only thing which remains uncertain is who must pay what price within Yugoslav society for this sort of restructuring of the economy and radical turning-around in the style of economic operation on the threshold of the second half of the eighties.

How We Fared in World Trade

	1981	1984
Export (total) billions of dollars	10,928	10,254
Import (total)	15,757	11,995

Regional Structure of SFRY Export

	1981	1984
Developed nations (percent)	32	36.5
Socialist nations	49.6	47
Developing nations	18.3	16.4

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BRIEFS

REPUBLIC BUDGET REVENUES--Last year sociopolitical communities [republics, provinces, opstinas] had budget revenues totaling 1,260.1 billion dinars, nearly 60 percent of which was collected from sales taxes, taxes on services, revenue from property, etc..., 22.7 percent from customs duties and special fees, 14.6 percent from income taxes and personal earnings taxes, while 3 percent was other revenues. The largest increase in revenue was from taxes on [enterprise] income and personal earnings, namely a 121-percent increase countrywide (97 percent increase in Bosnia-Hercegovina, 202 percent in Montenegro, 122 percent in Croatia, 121 percent in Macedonia, 178 percent in Slovenia, and 108 percent in Serbia); taxes on incomes of OURs (organizations of associated labor) increased 351 percent in Montenegro, 488 percent in Macedonia, 561 percent in Slovenia, and 393 percent in Vojvodina. [Excerpt] [Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 3 Feb 86 p 13] /12947

BANKING LAW CHANGE--Business people and bankers have pointed out that the new Law on the Foundations of the Banking and Credit System adopted at the end of last year has come to a standstill over its most controversial provision, Article No 193, which stipulates that beginning on 1 January [1986] business banks cannot grant credits to work organizations which are operating unprofitably, if they do not own at least one-sixth of their own working capital, or if they operate exclusively on borrowed money. This would be fine, except that application of this provision would mean putting out of operation about 85 percent of the work organizations in certain parts of the country (with all the economic, social, and political consequences arising from this). However, as the law was adopted in an "emergency procedure," it seems that this provision went unnoticed by those who proposed and adopted the law. One should not be surprised at the report from a recent meeting of the Federal Executive Council (FEC) that this provision of the new law is already being supplemented by a transitional provision permitting short-term credits for current operation. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22-24 Feb 86 p 12] /12947

The FEC has submitted to the SFRY Assembly a proposal suspending paragraph 2 of Article 193 of the new Banking...Law until January 1987, thus permitting the taking of short-term credits for enterprises for this year. [Excerpt] [Belgrade PRIVREDNI PREGLED 26 Feb 86 p 2] /12947

KRSKO FINANCIAL BURDEN--Because of unpaid obligations on credits for the Krsko nuclear power plant and part of the Trbovlje thermal electric power plant, the Bank of Ljubljana on 19 February blocked all funds of OURs (basic organizations of associated labor) which make up the Electric Power Industry of Slovenia. It is a question of rescheduled interest payments in the last 2 years which have to be paid by the end of March, as well as part of the principal. So all OURs within the electric power industry of Slovenia are feeling the effects of this investment. Mihael Cerpes, member of the business council of the Electric Power Industry of Slovenia, said: "Our total debt for maturing interst and part of the principal, above all, for Krsko...was 5.242 billion dinars on 21 February 1986. We assume it is now less since the bank blocked the accounts. We expect to settle our obligations by the end of June this eyar, but the bank's action has disrupted our operations considerably." [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 28 Feb 86 p 1] /12947

AGRICULTURAL EXPORTS DECLINE--According to latest estimates, agricultural and food exports last year amounted to about $800 million, or $200 million less than in 1984. This year exports valued at $1.17 billion are planned but this is...considered more a desired figure than a realistic one. Only about $200 million was earned in 1985 from exports of fruits and vegetables, or $100 million less than in 1982; in fact, only 3 percent of total fruit and vegetable production was exported. The domestic market absorbed 65 percent of production, but 32 percent is unaccounted for, as a result of poor market organization. In regard to animal, meat, and processed meat exports, an ambitious export plan of $480 million has been established, which would be about 20 percent more than that achieved in 1985. But marketing on foreign markets is difficult, and the basic problem is the high cost of production, such that if the export plan were achieved it would mean losses of 510 million dinars for exporters unless [cost] conditions change. Although the world prices for corn are too low to stimulate our exporters, it is nevertheless expected that over 1 million tons of corn from the 1985 harvest will be exported because of the large decline in livestock production; all of this would be in barter trade. [Excerpts] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 27 Feb 86 p 1] /12947

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MEDICAL ASSISTANCE IN PSYCHOLOGICAL TRAINING RELATED

East Berlin ZEITSCHRIFT FUER MILITAERMEDIZIN in German Vol 26 No 6, Nov 85 pp 244-247

[Article by Col Dr K. Hollenbach et al: "The Work-Related Medical Care of Members of the Army as a Contribution by the Medical Service to a Further Increase in the Fighting Strength and Combat Readiness of the People's Army"; first two paragraphs are summary]

[Text] Medical care in the military, as the sum of measures oriented towards the individual designed to prevent or significantly reduce service-related limitations to performance and disruptions of health, is an important component of the steps taken by the medical service to increase the fighting strength and combat readiness of sections and units of the People's Army [NVA].

Presented and discussed is a model of care that builds on itself and takes into consideration job characteristics and individual capabilities. This system includes general preventive measures for all members of the army, special preventive examinations for certain military activities as well as differentiated dispensary care for selected members of the army.

The fostering, maintenance and restoration of health as well as the guarantee of a high physical and psychological capacity among members of the NVA are important preconditions for an increase in the fighting strength and combat readiness of sections and units and a primary goal of the health service in the NVA.

The medical service as a special organizational form of GDR public health in the NVA is putting into practice in the armed forces the health policy of the SED under specific military circumstances. The minister for national defense, Gen Heinz Hoffmann, characterizes its duties as follows: "The medical service has in all armies and at all times played a large role in consolidating and strengthening the fighting power of the troops. In socialist armies, and thus in our People's Army as well, the medical service is accorded particular significance, since we have as our starting point the high humanistic ideals of Marxism-Leninism, where man, care for man and the maintenance of his physical and mental strength are the focus of societal attention. This significance and the role of the medical service have risen sharply under the

conditions of modern warfare which--if it cannot be averted by peace-loving people and states--will be warfare using means of mass destruction...We are largely dependent on the work of our doctors, medical orderlies and first-aid attendants for creating a high and continuous level of readiness for action among our units and sections" (1).

The achievements in the medical safeguarding of the army and navy forces during the nearly 30-year existence of the NVA, including military-related medical care, would be inconceivable "...without the help and support of our friends, the Soviet military doctors, without the benefit of the experience of Soviet military science and military medicine" (10).

On the occasion of the 40th anniversary of the victory of the Soviet army over Hitler's fascism and of the liberation of the German people, it should be remembered that it was Soviet military doctors and hygienists such as Major General Dr Kurpita, Maj Gen Dr Agafonov, Maj Gen Dr Belyakov, Colonel Prof Dr Kudrin, Col Prof Dr Medvedev, Col Prof Dr Koselev who unselfishly imparted their experiences and knowledge in the organization and implementation of an effective military hygienic supervision and security system as well as military-related medical care of members of the NVA, thus contributing to a new, objective understanding of service-related medicine in the armed forces in the interrelation of members of the army with military activity and the military environment. As a demonstration of these correlations, reference should be made to the examination model already published (2, 5), derived from Caregorodcev and Erochin, from which the central position of military activity can be seen (Diagram 1). Since--as a result of scientific and technological progress in the military--the increasingly short periods of time in the introduction of qualitatively and quantitatively new arms systems and the consequent changes in the form and content of military activity imply a change in demand reactions, the spectrum of responsibilities of the medical service extends not least of all to the area of military-related medicine.

In view of the fact that Medvedev's "adaptation theory" (9) and Kudrin's "three-parameter theory (8) have in common the dynamic, differentiated, multifactor and multilevel way of looking at the correlation of members of the army to the military environment, military-related medical care should as follows be understood as the sum of medical measures oriented towards the individual, which for members of the army contribute to the prevention or significant reduction of service-related limitations to performance and disturbances of health. Within the context of this description, in order to avoid repetition, questions of military-related hygienic standardization as well as an assessment of military medical fitness and suitability for service will not be dealt with, referring to previous publications (2, 3, 4, 6), although these factors cannot be objectively separated from the relational structure.

The extent and content of job-related medical care for members of the army are laid down in the relevant military regulations based on existing legal provisions in view of military specifications. These exceptional features include:

1. Demands that are scarcely comparable with the civilian work process, which for members of the army exist in training and to a full extent in combat conditions, particularly in the processes of absorbing and processing information, in the necessary level of expression of psychological basic functions and psychological capabilties, amidst predominantly changeable and overwhelmingly complex influences from physical, chemical, biological and social factors. In addition, the psychovegetatively relevant stimulative structures of the military environment can at best be only an approximate equivalent of a combat situation. A comparison with professions, jobs and activities in industry is scarcely appropriate; only accidents and catastrophic situations show similarities to these special features.

2. The fast pace and strong dynamics of combat activity presuppose the possibility of a rapid and most rapid functional reordering of physically arduous activity to finely coordinated movements.

3. The specific age and sex structure of members of the army with regard to a limited period of exposition and pressure for the vast majority of members of the army demands in a garrison situation application-oriented work-related medical care, graduated with respect to form and content.

4. While the technical structure of the work place for the efficient employment of workers should be arranged such that it promotes conditions for performance while precluding both excessive and insufficient demands, this cannot be universally put into practice for members of the army in view of primacy of the combat value of military technology.

5. The highest capabilities of members of the army are mobilized in connection with concrete battle orders in combat or training situations, primarily through a desire to perform. Even in a garrison situation, this calls for the introduction of high and highest physical and psychological pressures and volitive control over them.

6. The increasingly large responsibility of the individual for the fulfillment of the collective battle orders and the continual readiness to act--characteristic of many situations--when the necessity to act is not individually discernible, for a period of time not defined for the individual, are another characteristic specific to the military.

This outline could be added to; there is no claim here to completeness.

However, it can already be deduced that military-related medical care is important in garrison situations in particular in continually maintaining and increasing fighting strength and combat readiness (Diagram 2).

Consequently, military-related medical care involves not only diagnostic, therapeutic, metaphylactic and rehabilitative measures, but also preventive measures oriented towards maintaining and raising physical and psychological abilities.

This includes general preventive measures for all members of the army, special preventive examinations for selected military activities, differentiated dispensary care for members of the army whose service duties place particularly high demands on physical and psychological abilities or whose activities burden or endanger certain organs or organ systems to a particularly high degree.

From the point of view of military-related medicine, general preventive measures include:

1. Medical supervision over newly drafted conscripts during training, in order to identify at an early stage, in cooperation with armed forces superiors and trainers, new conscripts with a low level of ability and who in other ways stand out in terms of health, and to gradually take them up to a higher level of ability through appropriate measures.

2. Cooperation in the shaping of training programs and in the preparation of training measures, especially supervision over long-term preparations of particularly performance-intensive training sections and elements.

3. The medical safeguarding of training, in view of extreme weather conditions or of methods of training that are particularly stressful in psychological and physical terms, and acquainting trainers with possible preventive measures to guard against health dangers.

4. Differentiated limitation of the extent and the length of partial fitness for duty in careful or timely decisions on unfitness for duty through insufficient physical or psychological capabilities due to illness.

5. The use of effective forms of health education and its realization as a measure specific to the target group, for the promotion a healthy way of life, and in particular for the shaping of responsible health behavior oriented towards the implicit fulfillment of military class duties.

All these measures correspond to concrete specifications in military regulations. They are being implemented in order to give support to the adaptation process by members of the army to military activity and to avoid limitations in health and performance by military activity or to make them relative in expression and prognosis. Their implementation requires active transposition by the military doctor under the specific circumstances of his unit.

Special preventive examinations are, organized as mass screenings, carried out at the beginning, by necessity during, and at the end of the service period in certain jobs. In importance, they correspond to work-related medical fitness exams and serve to establish medical suitability for military activities with known risks of exposure.

Members of the NVA are included in the examinations who are subject to exposure and are involved in activities for which medical fitness must be demonstrated according to legal provisions and military regulations.

As a result of these special preventive examinations, only members of the army for whom medical fitness has been demonstrated before assuming duties are put into service for purposes and military activities thus defined.

The content and extent of the examinations is determined according to the relevant legal provisions.

This arrangement means that part of the required laboratory-diagnostic examinations cannot be carried out in the unit's medical facility since the equipment of the type of lab found in units does not fully permit these examinations.

Military-related medical dispensaries are complex measures in health care and are carred out when particular physical and psychological strains or dangers make continual guidance, counselling or treatment necessary. Dispensary groups are organized for members of the army in special sections or jobs as job-based dispensaries for:

--senior cadre,

--airborne personnel and paratroopers,

--vehicle operators and

--divers.

These are justified by a complex effect from strains and exposures, often taking place under extreme circumstances, in special military activities that are to be carried out, or in exposure dispensaries for activities under the effect of harmful elements, such as noise dispensaries.

The job-based dispensaries are implemented in special facilities of the air force/air defense and the national navy because of the complex character of demands in NVA hospitals. The content and extent of examinations are determined according to circumstances specific to the branch of the armed forces or the predictable focal points of the exam. Exposure dispensaries are realized in accordance with stipulations concerning content and extent in legal provisions and because of demands for special laboratory-diagnostic parameters or special consultation with medical specialists, they can only to a certain degree be fully implemented in the sections and units.

Through these preventive-oriented military-related medical care measures, every member of the army is included in the system of health supervision by the medical service, in accordance with his job or activity.

When one takes into consideration that the majority of these examinations must be carried out in the medical facilities of the unit, one then sees clearly on the one hand the status of medicine in work-related basic care and on the other hand the central position of the unit doctor as specialist for general medicine. At the same time, this organizational structure sees to it that the unit doctor's area of responsibility for measures of preventive medical care

is fully assured and that specialized medical care is guaranteed in accordance with the character and care circumstances of the hospitals of the NVA (7).

With the goal of a further increase in the quality and effectiveness of work-related medical care, an assessment of possible directions for development is as follows:

1. Expansion of the current examination programs,

2. Introduction of standardized, valid and reliable examination procedures that can in practice be implemented among troops,

3. Rise in the efficiency of presently operating organizational forms,

4. Elaboration of a military regulation that takes into account the overall process of preventive medical care.

These requirements can only be met through the further scientific investigation of the dialectic correlation between members of the army, military activity and the military environment.

Through the further perfection of:

-- Knowledge about military, medical and professional characteristics of jobs and activities,

-- Methods of recording and evaluating criteria in determining the state of health, fitness for duty and ability for duty,

-- Specifications of preventive measures for situations of extreme strain and,

-- Guidelines for the deployment of those limited in their medical suitability and fitness for duty,

work-related medical care of members of the army can be structured even more efficiently within the framework of general preventive measures. In the implementation of special preventive examinations, an intensification of work-related medical can be achieved through the:

-- Determination of the degree of actual individual strain on one's health by exposure to appropriate jobs and activities by way of work-related hygienic analyses and their catagorical compilation,

-- Elaboration and introduction of noxe-specific rapid tests.

-- Further technical completion of selected basic care medical facilities involved with military-related medical care in order to realize the planned extent of laboratory diagnostic examinations.

The quality and effectiveness of military-related medical dispensaries as the most comprehensive form of specifically work-related medical care can be further increased by a number of measures. In terms of methodology, there has already been a report on further developments within the framework of annual examinations of professional soldiers (10). Besides the organizational

measures mentioned there for increasing patient-effective time, a further contribution can be made by the drawing up of:

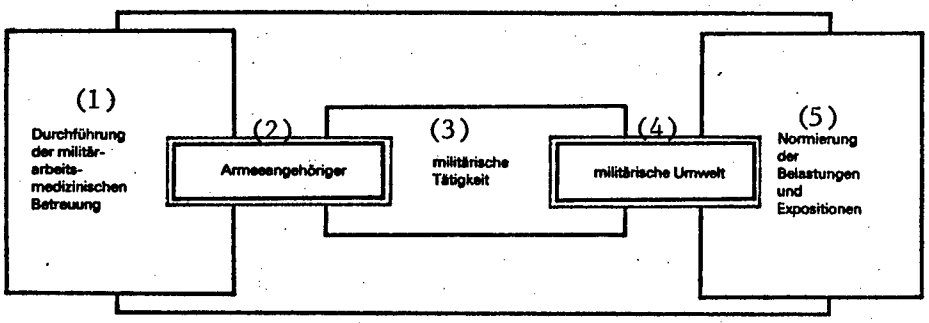
-- A catalogue of jobs and military activities associated with dispensaries,

-- Methods for evaluating physical and psychological capabilites with system-wide long-term medication and,

-- Recommendations based on military-medical and professional practice on the deployment of the less able.

From what has been said, it can be concluded that the realization of the correlation between military-related medical care and the increase in fighting strength and combat readiness is a process that is in a constant state of perfecting itself, a process that requires the close cooperation of military-related hygienic and professional representatives of military-medical clinics. Of decisive importance is the complex application of the various research findings into military practice in order to thus continue to establish scientific preconditions for the steps taken by the military doctor in military-related medical care.

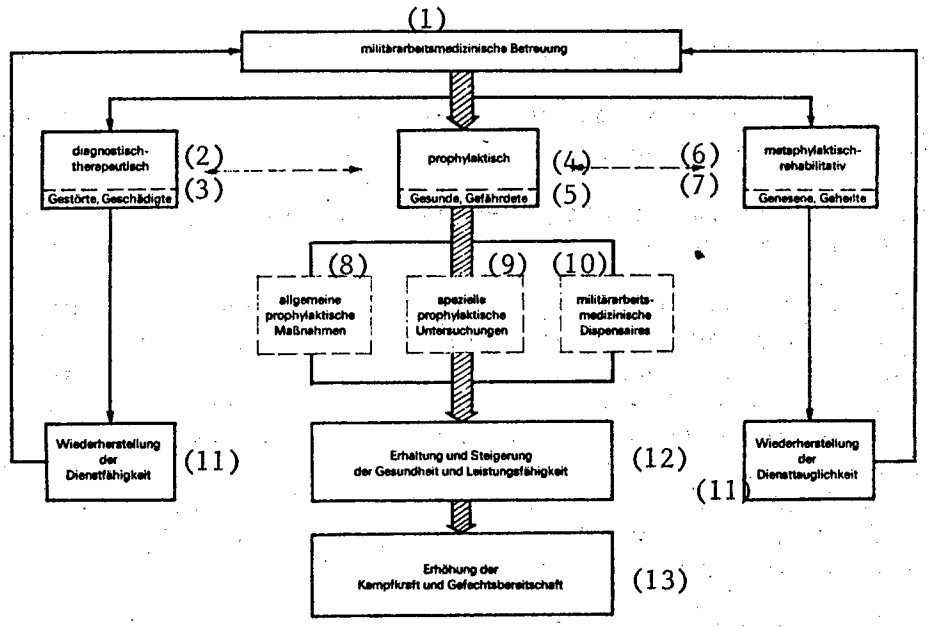
Figure 1. Position of Military Activity



Key:

1. Implementation of military-related medical care
2. Members of the army
3. Military activity
4. Military environment
5. Standardization of strains and exposure

Figure 2. Aspects of Military-Related Medical Care



Key:

1. Military-related medical care
2. Diagnostic-therapeutic
3. Disturbed, injured patients
4. Preventive
5. Healthy patients and those at risk
6. Metaphylactic-rehabilitative
7. Cured, healed patients
8. General preventive measures
9. Special preventive examinations
10. Military-related medical dispensaries
11. Recovery of fitness for service
12. Maintenance and increase in health and abilities
13. Increase in fighting strength and combat readiness

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CSO: 2300/175

POST-SYNOD CHURCH-STATE RELATIONS PROMISE LITTLE CHANGE

Lutheran Leadership Views Cited

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 4 Feb 86 p 5

[Article signed "K.A.O." datelined Berlin, 3 Feb 86: "Bishop Leich Objects to Sense of Resignation"]

[Text] The number of votes cast in the Conference of Evangelical Church Leaders in the GDR for Bishop Leich as chairman is not known, since the election was secret. But Bishop Leich in his speech to the synod expressed his thanks "for the clear-cut type of election." This indicates a convincing majority. The bishop stated in his inaugural address that the church in the GDR lives in a state ruled by a strong ideology. It is necessary to continue what the Federation of Churches has said and done so far. He also admonished: "When we talk to representatives of the state, we should see them as people concerned for the welfare of the citizens."

Bishop Leich's speech was an exhortation not to yield to a sense of resignation in the church. The missionary situation in which Christians in the GDR live is "determined by the presence of Christ wherever two or three are assembled in his name, and by his order to win disciples for him." In the GDR "the ground is broken. Although there are no direct questions for the church, there are questions which render the public more open to the church." The church can only win people to faith in Christ if it is "unequivocally clear and binding in preaching the Gospel and administering the sacraments. The question about truth is answered through Christian testimony and life." Leich closed every paragraph of his speech with the call to read in the Bible and to hold fast to prayer. The sentence sounded like a motto to guide his work as chairman of the Federation of Churches.

The bishop advocated ecumenical rapprochement and, in particular, fellowship with the Evangelical Church in the FRG. Here, also, advances can be made only "if we strive and pray for the truth of God's word." Leich pointed to Gorbachev's disarmament proposals. Confidence is growing that the road to the future "is not quite so hopeless."

At the synod of the Evangelical Federation of Churches in the GDR, held at the Stephanusstift in Weissensee, secretariat manager Ziegler gave an

interim report on the 4 months since the meeting of the old synod in Dresden in September. The Federation of Churches is seeking cooperation with the other churches in the GDR to make a special church contribution to the "Year of Peace," the United Nations having thus designated the year 1986. Picking up on a statement of the last synod, it is proposed to put these church events in the GDR under the motto: "Time for Peace." Observations made at the last "peace decade," the annual 10 days of church events for peace, jointly prepared with the Evangelical Church in the FRG, were confirmed in the report to the synod: the peace decade with discussions, seminars and church services has become a solid tradition in the Evangelical Church in the GDR and is carried out in ecumenical cooperation, as far as possible; but interest is flagging in some parishes. Prayer for peace is gaining in importance. This is to be taken into account for the peace decade in late autumn. "Peace be with you" has been proposed as the theme in the GDR.

At the next synod meeting in September, a church committee appointed 3 years ago will present the result of its consultations on the "problem of profession of faith in the peace question." It deals with a question which constantly occupied the last synod in the GDR during its term of office: in view of nuclear weapons, can Christians continue to participate in the system of military securing of peace? The Evangelical Church in the FRG considers both Yes and No to the policy of nuclear deterrence as a means of securing peace as compatible with Christian faith, at least as long as efforts are made to reduce armaments. In contrast, the Federation of Evangelical Churches in the GDR has officially declared conscientious objection as "the clearer sign" of Christian faith. But only the committee report, to be given in September, and the subsequent discussion will show whether the Evangelical Church in the GDR will make a binding decision in this question. For the present, the answer is still valid which the old synod gave in Dresden in September of last year: "Today, no unanimous answer to this question is discernible."

The manager of the secretariat dealt with the increase in arrests of conscientious objectors which became known in Dresden during the final session of the old synod. Ziegler stated that church representatives "had supported those concerned in an appropriately unobtrusive manner." He thanked the government representatives for the quick release of those arrested. This decision shows "understanding and magnanimity" and has prevented hardships and burdens. Ziegler said: "We take these decisions as a sign of willingness to solve conflicts within the framework of existing regulations, and to prevent the creation of conflicts. We thank you for this willingness." It "makes us confident that ways of understanding will be found in as yet unsolved issues, even if at present the unmistakable refusal continues to the pleas of the synod for establishing an alternative civilian service and for the possibility of weaponless service for reservists already sworn in."

Ziegler also reminded his listeners of Bishop Hempel's request for a new talk of the leadership of the Federation of Churches with Honecker. In principle, Honecker had agreed to this in a conversation with Bishop

Hempel a year ago, but no date or subjects have been agreed on. Another request to the government was also mentioned in the report to the synod: The Federation of Churches gave Premier Willi Stoph a list of 123 church buildings in dire need of repairs. It is necessary that the state 5-year plan 1986 to 1990 provide for "building funds" in the amount of 47 million Marks, whereby the difficulty is less the lack of money than the lack of construction workers and material. The collapse of the Marienkirche in Pasewalk demonstrated the consequences of neglecting existing buildings in the GDR for the churches and the public. In many towns, churches are the only monuments still preserved from the Middle Ages, a cultural heritage whose preservation is valued by the GDR.

FRG Commentator's Assessment

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Feb 86 p 5

[Article by Karl-Alfred Odin, datelined Berlin, 4 Feb 86: "The Church in the GDR is Sticking to its Course"]

[Text] The change in the leadership of the Federation of Evangelical Churches in the GDR at the synod in East Berlin does not indicate a break, although only one of the five members of the new board, Consistorial President Stolpe, also served on the old board. The election of Thuringian Land Bishop Leich as chairman meets the expectation of the synod. The former chairman, Saxon Land Bishop Hempel, himself wanted Leich's election. No other proposal had been given serious consideration. Leich is attached more strongly to the traditional forms of the church than Hempel, but there is no difference between the two bishops in their spiritual, church and political attitude. Since 1978, Leich has participated in decision-making in the Conference of Church Leaders, the managing institution of the Federation of Churches. His two deputies are familiar with all matters of the Federation of Churches: East Berlin Consistorial President Stolpe from the founding of the Federation of Churches in 1969 until 1981, and Saxon Province Bishop Demke, from 1981 to 1983,was manager of the secretariat of the Federation of Churches, the coordinating center of this union of the eight Land churches in the GDR.

The intent of filling the three managing positions in this manner is unmistakable: the Federation of Churches is continuing its course, in the church, in its relations with the state, and in standing up for all those suffering for personal or political reasons. In Leich's address after the election, the spiritual and missionary task of the church occupied first place. Even more strongly than up to now, Leich will direct the forces in the Federation of Churches toward the core of Christian existence, to preaching, to the Bible, to prayer. Among the eight member churches, unity in practical church tasks has not kept pace with the theological closeness among them. Although the synod in Weissensee was primarily concerned with elections, it made clear that it will continue to pursue the goal of leading the Land churches in the GDR into a full church community, step by step. In theory, this community was already preempted in September, when the old synod at Christ Church in Dresden decided to adopt the name

"Evangelical Church in the GDR" for the Federation of Churches. The fact that the council chairman of the Evangelical Church in Germany, Bishop Kruse, was invited to the meeting, and many statements made at the synod show that the Evangelical Church in the GDR needs the connection with the Evangelical Church in the FRG. When the churches in the GDR freed themselves from the organizational clutch in 1969, it helped them to gain freedom of action and internal strength not only for political reasons but also for their own church concerns. At the same time, this departure made possible a more relaxed relationship with the churches in the FRG.

A part of the continuation of its course in political matters is that the Evangelical Church recognizes the GDR as its state. It does not see itself as a church against socialism, or as a socialist church, but rather as "church in socialism," as it was formulated a quarter of a century ago. In the Evangelical view, this includes the duty to publicly criticize shortcomings not out of enmity but out of loyalty to the state, in order to help improve conditions so that people voluntarily want to live in the GDR. The synod called to mind Honecker's promise of equal rights, equal respect and equal opportunities for Christians in the GDR. Just before the synod, NEUES DEUTSCHLAND had published a declaration by Bishop Leicht which reiterated Bishop Schoenherr's old saying "that the relationship between state and church must be measured above all by how it is experienced by citizens and parish members in their daily lives."

Concern at the synod in Weissensee was directed in particular toward conscientious objectors. Besides the discussion of personnel, it was the only subject where the public was excluded on two occasions so that the synod could discuss it in full freedom. The synod expressed the church's thanks to the Evangelical Young Men's Association and to lawyer Schnur of Rostock for their help for the young men.

It is uncertain if and when the planned talk will take place between the chairman of the Council of State and the chairman of the Conference of Church Leaders. Bishop Hempel told the synod that one of the essential conditions is that such a talk must have visible results for the parishes. Advice coming from outside the synod to avoid agreements with the state and to withdraw behind the church walls is unacceptable to the Evangelical Church, whose membership embraces half the population. The example of the Catholic Church, which set the "Bengsch course" (named after the deceased cardinal) against the "Schoenherr course," i.e., the attempt at relatively getting along with the state, has never even been discussed, let alone accepted, by a synod of the Federation of Churches. At this synod in Weissensee, also, was stressed the value of having the state as a partner in dialogue in at least some of the conflicts.

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SMALL FARMERS GROUP BECOMES MEMBER OF DEMOCRATIC BLOC

Cologne DEUTSCHLAND ARCHIV in German Vol 19 No 1, Jan 86 (signed to press 30 Dec 85) pp 16-17

[Article by Dr Peter Joachim Lapp, member of the East-West editorial staff of the Deutschlandfunk in Cologne: "The VdgB [Peasants Mutual Aid Association] a New Member in the Democratic Bloc"]

[Text] For the first time since the early 50's, the "Democratic Bloc of the Parties and Mass Organizations" in the GDR was enlarged:

"According to an application, the Peasants Mutual Aid Association (VdgB) as socialist mass organization of the cooperative peasants and gardners was admitted to the Democratic Bloc."[1]

As is known, the "Democratic Bloc" (DB) is a consultative body under the control of the SED, which exists on republic, bezirk and kreis level. In addition to the SED it includes the four other GDR bloc parties, CDU, LDPD, NDPD, DBD, as well as--now--five mass organizations (FDGB, FDJ, DFD, KB, VdgB).[2] Each of the parties and organizations delegate four representatives of their leadership to the DB. The meetings take place sporadically under alternating chairmanship; DB resolutions must be made unanimously. The SED regards the DB as "core of the GDR National Front" and as a device to make its will effective with the help of this body throughout all of the society.

"In the Democratic Bloc fundamental questions of domestic and foreign policy, basic draft laws as well as other state documents are discussed. Hereby the collaboration necessary for their implementation is coordinated.... The Bloc discussions further relate to joint social activities."[3]

Thus in the future the VdgB will participate in these discussions. The organization, practically a GDR peasant association, now numbers just short of half a million members. Originally in 1945/46 founded above all to help destroy the "Raiffeisen" Association of Farmers Credit Cooperatives, the VdgB in 1950 merged with the "Peasants Trade Cooperatives" (BHG) and in subsequent years massively carried on the SED agricultural policy, which finally in the spring of 1960 ended in full collectivization.

Thereafter the importance of the VdgB/BHG declined; in 1963 the organization lost its parliamentary group in the GDR People's Chamber and its deputy seats in the bezirk assemblies.

Since mid-1982 the SED reactivated the VdgB, which--as all mass organizations--is under the control of the SED. The reasons for the revival cannot be completely determined. One thing is certain, namely that the VdgB is the only association that feels especially obligated to the agricultural area, under production and distribution aspects as well as also under political and cultural aspects, as Dietrich Staritz emphasizes.[4] And the SED continues to strive towards leveling the urban-rural difference, especially in the services and cultural fields. Such an expression of intention is also included in the new VdgB statutes of 1984.

The first secretary of the central executive of the VdgB/BHG summarized the tasks of his organization as follows:

"In first place for the VdgB is the task, under the leadership of the SED party organizations, to support the political mass work in the villages and as a socialist mass organization to contribute to developing the creative initiative of the cooperative peasants and gardners in increasing agricultural and gardening production.... At the same time, the social participation of the cooperative peasants in social life in the villages is to be promoted."[5]

The VdgB is charged with the responsibility of closely cooperating with the other mass organizations. With more than 7500 local organizations in the villages, it is regarded (once again) as a "social force"[6]; the SED utilizes the VdgB's manifold supply facilities in the countryside.

As part of the reactivation, the leading party in the GDR repeatedly upgraded the VdgB: Thus the SED in the latest communal elections in May 1984 increased the number of the VdgB seats by 70 percent.

If the development continues in that direction, it is feasible that the VdgB will get a parliamentary group of its own in the People's chamber and deputies of the organization will enter the bezirk assemblies. However, ahead of the coming "people's elections" on 8 June 1986, the "distribution key" (on which the DB also decides in final arrangement) would then have to be changed in the near future. New seats for the VdgB are likely to be at the expense of the other mass organizations (as was the case in the 1984 local elections).

The revival of the VdgB/BHG must be most distressing for the "Democratic Peasant Party of Germany" (DBD). Until now this party claimed to speak for the cooperative peasants in the DB and otherwise; thus far it was courted by the SED as "party of the class of the cooperative peasants." Apparently this second largest GDR bloc party with 110,000 "party colleagues" has not been able to completely fulfill the expectations of the SED.

Undoubtedly the membership of the VdgB in the DB (to which it had not previously belonged, not even when it held seats in the People's Chamber!) has completed

the system of the "political organization of socialism" in the GDR and as a result will contribute to increasing its "political elasticity" (Dietrich Staritz).

It is possible that the delegates of the VdgB/BHG in the DB will more intensively take care of the everyday problems of GDR agriculture than other delegates, who until now--except for the DBD people--had to go into this matter only as a sideline.

FOOTNOTES

1. NEUES DEUTSCHLAND of 27 Nov 85 p 3

2. The official designations are: Christian Democratic Union of Germany, Liberal-Democratic Party of Germany, National Democratic Party of Germany, Democratic Peasant Party of Germany, Free German Labor Union Federation, Free German Youth, Democratic Women's League of Germany, GDR Cultural League, Peasants Mutual Aid Association--Peasants Trade Cooperatives.

3. "GDR Public Law," textbook, second edition, Berlin (East) 1984, p 120.

4. Dietrich Staritz: "New Accents in the SED Alliance Policy," in: DDR-REPORT 16th year (1983), No. 2, p 70 ff. (71).

5. Manfred Scheler: "The VdgB Strengthens Socialist Democracy in the Countryside," in: NEUE JUSTIZ, 38th year (1984), No. 5, p 173 ff. (173).

6. Figures and Facts: "VdgB Promotes the Social Life in the Village," in: PRESSE-INFORMATIONEN (DES MINISTERRATS DER DDR), No. 145 (5583), of 11 Dec 84.

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BERECZ DISCUSSES POLITICAL ISSUES

Budapest PROPAGANDISTA in Hungarian No 6, 1986 pp 5-16

/Article by Janos Berecz: "About the Political and Ideological Program of the 13th Congress and Its Representation in Foreign Propaganda"/

/Text/ Conference of Propagandists, 3-4 July 1985: On Some Timely Issues of Foreign Propaganda and International Information

Propagandists working abroad and for abroad held a 2-day conference on 3-4 July 1985 in Budapest, at the Educational Directors' Headquarters of MSZMP. The conference was opened by Erno Lakatos, head of the Propaganda Department of the Central Committee of MSZMP. Following it, consultations were given by Janos Berecz, secretary of the Central Committee of MSZMP, Pal Ivanyi, deputy head of the Economic-Political Department of the Central Committee, Judit Csehak, deputy president of the Council of Ministers, and Geza Kotai, head of the Foreign Relations Department of the Central Committee. On 4 July propagandists discussed their experiences in sectional meetings. As a conclusion, Janos Barabas, deputy head of the Propaganda Department of the Central Committee gave a summary lecture on the present issues of our country's foreign propaganda and international information. Below is a presentation of the main ideas put forth by Janos Berecz.

In his introduction the lecturer announced that he wanted to outline three topics. First he was going to review the most important events of domestic politics during the past 3 years and the experiences related to them; then he was going to examine those political issues with ideological significance that are related to the 13th Congress; and finally, foreign propaganda was going to be discussed in this context.

Of the important events of domestic politics in the past year Janos Berecz dealt with three: with the commemoration of the 40th anniversary; with the 13th Congress; and with the elections. He emphasized the following:

The 40th anniversary of our country's liberation gave us an opportunity to face our recent history and its values and important lessons. Fortunately, we are moving away from just celebrating anniversaries; now we use anniversaries primarily to take stock.

The 40th anniversary gave us a chance to straighten out a few things in our historical perception. The first thing--that I would call straightening out--is that we have succeeded in demonstrating and proving that the liberation of our country was not an event tied to just one day, but it was a longer social, political, and military process. The military process was opened and closed by the Red Army of the Soviet Union that after more than 6 months of heavy fighting expelled from our country the German invaders and Hungarian riff-raff allied with them; fascist, semi-fascist, and semi-feudal capitalist masses. This struggle claimed a great many victims of the Soviet Union--and of Hungarian society as well--but it gave an opportunity to open up a political and social process. By putting our national sovereignty on a new foundation we were successful in creating a kind of a people's rule, we succeeded in widening the military process of liberation into a social liberation--and in a few years we successfully turned all this into a workers' rule. The new system was not a gift, it was achieved by the most progressive Hungarian democratic forces, communists and other democrats. This is how the liberation became a national cause; the Hungarian nation could live with its freedom.

The events of the commemoration also gave us an opportunity to evaluate the history of forty years, to accept what we had to accept and live with the consequences. We have proved that these forty years were decisive in the history of Hungarian society. We are speaking of the most fruitful four decades of our national history, including not only the positive, but also the negative events and their lessons. We had to accept that this time period was the period of fighting for power and establishing social democracy; for us this has stayed the basic question when discussing the nation's present and future and its socialist tasks. Along with gaining power and developing social democracy, and in order to guard them, we also established new types of ownership, collective social property, on which the creativity and the program of a socialist society are built. We had to accept, and we did accept, in this time period the tough class struggle that ultimately took a new turn with the establishment of the workers' rule--and which, regrettably, was followed by a dogmatic, bureaucratic distortion. In the end this difficult time period and struggle were replaced by a policy aimed at establishing socialist national unity and common agreement, and by the implementation of political means and methods that were not alien to the nation but met with the support of the Hungarian nation and which allowed for and made necessary active and wide-ranging political activities by the Hungarian Socialist Workers' Party.

With all this we demonstrated that these 40 years belong to us totally. It was during this time that we truly developed a sensitivity to both sides and learned to fight on both fronts, and we learned that along with the accomplishments we had to accept the historical legacy of tragedies and conflicts. We completely reject a bureaucratic, distorted way of exercising power, yet we are not willing to turn away from our socialist accomplishments and national values that were born in that time period. We do not let a whole nation feel guilty because bad, deformed policy and political leadership abused the people's confidence. We cannot break down these 40 years

into days and pick and choose saying "I will take this, but not that." This time period is as much an integral part of the history of the Hungarian nation as was the 1848-49 war of independence and the time period following it, or 1918 and 1919 and the historical time period that followed. They had their burdens, lessons, and revolutionary results. These four decades were the most creative time period in Hungarian history and so rich in lessons that with adequate learning we can confidently build on them. The policy of the Hungarian Socialist Workers' Party and the relationship between the party and the masses are the guarantee that these lessons are heeded and no more tragedies will be allowed in widening our experiences in building socialism. The most important things are work and creativity, and today in Hungary they are both built on socialist national unity. It was in this spirit that the 13th Congress evaluated our past and defined the future.

The 13th Congress of the Hungarian Socialist Workers' Party assembled in a complicated world situation and rather difficult political climate. The success of this great task proves the strength of our party and its relationship with the masses. During the congress society showed increased interest, political activity and readiness--and the congress's stand became a defining and influencing factor in public opinion. Not only the reports but speeches as well were critical and self-critical, and it is of utmost importance that in the end the congress provided an action plan answering current questions. And although it is in the nature of the MSZMP's policy to express the dialectic of continuity and renewal, this is the first congress that defined it so clearly what renewal meant--and that renewal was needed. This spirit was felt in the speeches and the program itself; now it is out task to represent and indeed implement this program of renewal.

The program is an integral part of developing social democracy, and it marks its direction. This is an extraordinarily important element. In a more difficult situation, in a time period demanding stronger leadership it is easier to think that a tougher, more controlling leadership is not compatible with social dialog and discussion of problems, a more lively political atmosphere and a say in matters, but that the situation demands a period of very strict and unequivocal commands. The congress took the unequivocal stand that the more difficult the tasks and the more layered the social problems, the more we need creative spirit, educated people and working hands. The only way to mobilize these forces is to make people feel that they are a part of shaping politics, and that they are participating in decisionmaking just as much as they are in carrying them out.

Another issue of the congressional program was the definition of economic vitality. Politics do not give an order to economists and experts on economics to produce a 3-percent annual growth; economic growth opportunity does not depend on orders and demands. But we do define and convey the social demand that to achieve our goals we would need a 2.5-3 percent annual growth rate in the 7th 5-Year Plan. It is the task of experts on the economy and economic strategists to find all the possibilities to achieve it.

In summary we can say that the congress resulted in great social activity and its resolution met with approval. But it would be a mistake to think that all we need to do is to introduce a few measures, and the program will be implemented. To a certain degree this indeed does depend on measures--but only to the degree to which they will result in increased social activity and the practical development of creative activities of the masses. All programs are achieved through social activity and not through incantations, prayers or measures. Of course, we need those too, measures, for instance, that make our social policy modern. We also need a program to fight inflation, and in some areas--like science and technology development--we need to bolster development. For all this it is essential that we work out specific programs. But all this only makes sense if it strengthens the practical activities of workers' collectives and individuals, and it if encourages and helps social activity. The third great social event, the elections, was characterized by lively political interest. We had not seen the kind of active, interested forums in the past few decades--not even in the time period of the MSZMP--that we saw in the recent nominating meetings. People were interested in the candidate and his program; a certain political and personal rivalry has become a fact in our public life. Of course, we are just learning this, but it is clear that people attended these meetings not because they were forced to, but because they wanted to, out of genuine interest and political activity.

It is characteristic that this time in the elections along with the policy the politician was evaluated and judged as well. And it is a lesson that the two evaluations did not always correspond. There were some great surprises and we had to realize that people would not tolerate just political representation without personal respect. It happened that while at one place a national functionary was gladly elected, in another voter precinct a similar candidate was rejected. From this point of view--as it was later voiced in the Central Committee's evaluation as well-- it is a great lesson that along with politics the behavior of the person representing those politics is increasingly being considered, judged or appreciated.

In a certain way, the elections also meant a challenge to party organizations. We have been challenged specifically as well; either in the way that the candidate was judged acceptable but new ones were proposed as well, or that the Patriotic Front's candidate was not accepted, and this is why new candidates were introduced. In some places we encountered organized opposition to our candidates. It is natural that in these cases the affected party organization did not hesitate to take action. It makes one thing, though, why some people considered this anti-democratic.

Finally about personal and political rivalry: the elements of some kind of socialist electioneering were emerging. We could be far from being satisfied, because it was too late when we realized that certain rules should have been worked out beforehand. We hung on to equal opportunity; in the end to such a degree that at times we overshadowed colorful personalities, attractive candidates. We forgot that equal opportunity is a legal concept, and ends as soon as political competition starts; when one has to stand up and explain things some people are genuinely better than others.

The lesson from all this is that today we cannot conduct politics the way we did yesterday. The most important result in our opinion is that a national political dialog took place between the party and the masses. We could say a great many things about the congress, our program, the work facing us: we took advantage of publishing the resolutions of the 13th congress much faster than at any time in the past.

Of the political and ideological questions of development Janos Berecz also dealt with three: with the relationship among ideology, politics, and social practice; with the direction of social democracy; and with the complicated topic of the relationship among nation, national value and socialism. Among other things, this is what he said:

It is not enough to look at and examine the relationship among ideology, politics and social practice only from the viewpoint of the latter. This is particularly important in order to strengthen the socialist community and to better understand one another's practice, to establish the unity of principles.

As far as ideology is concerned, it is almost completely identical in the various socialist countries, this is the theory of Marxism-Leninism. The "almost" refers to the fact that in understanding new social experiences there may be ideological differences in some issues. These are transitory until they become shared values, or it becomes clear that they are specific, national and characteristic.

This process took place easily in the communist movement while it had some kind of designated or chosen center. Then that was what decided whether something was general or specific and the action depended on this determination. A center today is not necessary and we do not want one. This is why the generalization of experiences, their becoming shared values and their preservation at a certain level are a more complicated process. The ideology is shared, we are speaking of the basic tenets of Marxism-Leninism. What we do we do with the conviction that we are applying the general teachings of Marxism-Leninism specifically to Hungarian national circumstances on the basis of our own experiences and knowledge.

But in politics there are and there can be differences--even conscious differences. In foreign policy there are no differences, our international political goals are defined in the same way as any other socialist country's. In other areas of politics, however, particularly regarding political consequences of international conditions, there may be differences. They are not theoretical differences, but they are significant. Moreover, in some respects there may even be theoretical differences, such as, for instance, when discussing attitudes toward the concept of reform. These differences do not separate us, they are due to national conditions stemming from the same ideology.

Social practice is multicolored and changeable. Implementing socialism is not the same everywhere. Comrade Janos Kadar worded it this way at the 13th congress: "We do not have a dogma but a creative theory." Of course it is a historical fact and reality that the beginning phase of socialism was not characterized by variability, it was the other way around. But as the opportunity started to present itself to perceive dialectically our dialectic theory, and we started to implement it to our reality that way a multicolored socialist process got under way. In this respect we have to establish emphatically that there is no Hungarian model. There is a Hungarian solution, but it is not necessarily good for anybody else. Let us not try to find ourselves in others, and let us not force others--even just as an inner compulsion--to like our practice and learn from us. But let us be open to implement others' good methods, let us take over from our friends that which works better than ours.

A much debated theoretical issue is socialist democracy. It is important for us to deal with this because the bourgeois standard of pluralism was somewhat forced on us. The dogmatists are afraid of the whole thing, and have only one question: Does the party exert indirect leadership? If it is not indirect, then the party has a problem with its leading role. Believers of the opposite extreme, some "searchers" are saying that there is only one standard: political reform, i.e., the start of a reform of our political institutions.

The 13th Congress of the Hungarian Socialist Workers' Party aligns itself with neither. In the center of our political democracy is the conviction that in order to realize the pluralism of political interests we have to create socialist unity in our institutions, in our case, in a one-party system.

This is not easy, and we know that it has its dangers. It requires the constant maintenance of national unity, the continuation and enrichment of federal politics established 30 years ago. It also means the continuous development of the system of political institutions, but not its fundamental reform.

Our goal is unchanged: the development of Marxist self-management of society through enriching socialist democracy. The party's leading role in this cannot be questioned, the party's conscious activities define the framework within which society develops and socialism is built. At the same time it is necessary that cooperation and social practice be developed among the 3 institutions of practicing power--the party, the government and social institutions. It is becoming increasingly more necessary to exercise the party's leading role through means of social movement, which by its nature is more difficult and indirect than direction from the height of power. We have to get used to this. It is important, for instance, to adjust party education accordingly, to teach not only general theory and ideology, but concrete politics and behavior. Because even harmless dictates will be considered an abuse of power--and the harmful ones even more so. If we want to go with all of society, we have to distinguish ourselves through mental maturity, better style and more active political work.

The government has two very important sides: one is the activities of the organizations of people's representation, and the other is the work of the executive institutions. It is clear that the organizations of people's representation cannot function the way they did yesterday. The process of subordinating the apparatus to the councils will have to take place. And finally, from the point of view of democracy we took a very significant step forward in production. Only 27 percent of our enterprises will stay under state direction, 47 percent will be under council direction, and 26 percent will be directed by elected leaders. This will have an effect and meaning, if we can solve our economic tasks better, and if our party's efforts of actively involving workers in social activities will be expressed in it.

The third important ideological question is the relationship to national value and socialism. In the past years a process took place that is going to strengthen in future years. In this process we not only consider socialism a national value--and the program of socialism a national decision--but we can bring our national values and traditions in line with socialism; in line with socialism's ideology and concept--and with the social practice of socialism.

This is not easy, as we have traditionally been afraid of nationalism. And it is necessary to be afraid: on the one hand, particularly under conditions of the extraordinarily many negative historical experiences of the nations of this region, and on the other hand, because there is still the tradition here of looking at who is smarter and who has been around longer. It is not easy in this region to be both Hungarian and international. I only want to repeat that the process has started--and we want to encourage it--in which the implementation of the socialist program enriches the Hungarian nation, and all the values of the Hungarian nation enrich socialism. We reject nationalism, but let us fight nationalism by strengthening our socialist commitment to our nation and our international connections with other nations, particularly and primarily with the Soviet people.

Speaking of the ideological struggle, the lecturer emphasized that our fundamental stand is unchanged. First of all, this means that the Hungarian Socialist Workers' Party does not give up its position that there is an ideological opposition between capitalism and socialism, and social struggle and political debates are taking place.

Second, we do not give up our basic position that the solution to this opposition can only be found in the area of social practice, and not in disruption, that is, in the escalation of military opposition, meaning war. This would not solve the situation, instead it would mean mankind's destiny and the end of its future. Therefore we are ready to debate, and in order to do this, contact is needed.

Third, cooperation is also necessary. Because in order to avoid military conflict, to conduct debates, contact is essential. And the nature of cooperation requires interest alignment. Alignment of political, economic, and ethical interests.

This is why we have established previously, that in order to solve the major issues of international politics we have to forego direct ideological interests. It is a great pity that the government of the United States started to enforce ideological values and interests in international politics precisely at the time when we discovered this important lesson. Today it is their political attitude that is ideologically motivated; we would like to separate the two because we feel that extraordinarily great and important issues are facing mankind and they cannot be solved directly, ideologically.

If we adhere to these three basic things, we are less likely to fail in our concrete behavior. I would like to add that there is a need to develop the culture of opposition within the framework of cooperation, particularly in debates. We have to achieve a high standard and civilized behavior in class struggle; a small nation should not be tough, but it can be very smart.

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CORRESPONDENT CLAIMS U.S. FUNDS AID 'SOLIDARITY'

Warsaw TRYBUNA LUDU in Polish 28 Nov 85 p 7

[Article by Marek Jaworski: "Washington's Money for 'Solidarity' in Paris"]

[Text] France has a new political scandal made public by the left-wing newspaper LIBERATION which devoted as many as six pages to the affair in its 27 November issue. The article also contained photocopies of various documents.

As it turns out, one episode of this affair concerns a method used in financing the Paris based emigre committee of 'Solidarity' and other anticommunist groups in France.

The Parisian 'Solidarity' committee always maintained that its material existence rested on "fraternal" donations from certain French union offices and in particular from the General Confederation of Enterprises' "Workers' force" (FO). Today, however, we know that this money came directly from Washington. The FO, between April 1984 and April 1985 alone, received $830,000 from the United States for this purpose. A second French organization receiving generous assistance from the U.S. is the ultra-right student organization, the National Intercollegiate Union (UNI). During the same period, they received $575,000. It is worth adding that this organization numbers no more than several hundred members.

These donations were surreptitiously delivered to France by the National Democratic Trust established at the initiative of President R. Reagan and affiliated with America's AFL-CIO. The Trust has the status of a private organization but is funded entirely by the government. It is evident from the photo-copied documents that this organization finances anti-communist activity in nine countries (France is placed on the list between Poland and Portugal). Besides the FO and UNI, other French beneficiaries from this fund include, to a lesser degree, the Institute of Social History (which does work primarily on socialist countries), an emigre Vietnamese anti-communist organization, the International Association for the Defense of Human Rights and the Sino-Soviet Institute.

LIBERATION's published articles, documents and interviews with representatives of the AFL-CIO and FO clearly show the purpose for these funds from the U.S.; they are to be used in the battle waged against communism. Andre Bergeron,

FO president, did not hesitate to confirm the subversive character of Paris' 'Solidarity' committee and openly stated that much of its funding comes from his organization. Naturally this money is flowing to France from Washington as it was in the earlier period. These donations did not end in April 1985 but are continuing.

This matter, which the French mass media is also calling scandalous, clearly points to an interference in the internal affairs of France. One aim of American financial support is to assist the FO in its battle with the left-wing General Labor Confederation [CGT] and their official purpose, as stated in published documents, is the necessity of "defending democracy in France".

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CSO: 2600/190

STRONG LIBYAN TIES DEFENDED

Warsaw ZYCIE WARSZAWY in Polish 22 Nov 85 p 6

[Article by Franciszek Nietz: "A Proven Friendship"]

[Text] "The words 'Poland' and 'Pole' are primarily associated with the significant assistance they provide in realizing the ambitious plans of the Libyan revolution. The Libyan people consider the Poles great friends. Their reliability in fulfilling assigned tasks, their promptness in meeting deadlines of every undertaking, all of this produces a feeling of genuine fondness and recognition" stated Abu Bakr Abu Shama, secretary general of the Society for Arab-Libyan-Polish Friendship, during an interview with ZYCIE WARSZAWY.

These sentiments have endured for many years. Friendly relations between the socialist people's Libyan Arab Jamahiriyah and Poland have remained stable and politically valuable to both Warsaw and Tripoli, despite the economic hardships faced by both countries.

People's State Council president, General Wojciech Jaruzelski's announced visit to Libya represents a formal return of the visit made by Libyan leader Colonel Muammar Qaddafi to Poland in September 1982. It will confirm this stability in relations and provide a stimulus to vitalizing and increasing economic cooperation so advantageous to both countries. Both capitals express the belief that there continue to exist significant possibilities for expanding the scale and nature of this cooperation, the framework of which was outlined during the forementioned visit by Colonel Qaddafi to Poland on 9-10 Sep 82. The protocol signed at the time contained among other things, a program to increase cooperation in the industrial sector, to fulfill a number of Polish investment projects in Libya and to increase the number of Polish skilled workers employed in that country.

Financial problems have recently forced the Libyan Government to an inevitable revision of ambitious investment proposals and to slow the rate of economic development. This does not indicate, however, that it will abandon long-range plans for rapid industrialization and agricultural development. One reason for this is the prediction by some economists that in 2 years, after a period of necessary economic restraints, one can again expect an increase in revenue. Tripoli does not intend to make any revisions in its contacts with long-

standing and trusted partners, our country most certainly among them, as a result of temporary difficulties. Both capitals, in addition, agree that increased Polish-Libyan cooperation, both in practice and scale, may contribute to speedier resolutions of economic difficulties in each country.

The existing balance in cooperation between the two countries was reached during last year's session of the Libyan-Polish Committee for Economic and Scientific-Technical Cooperation. Outlined during this time were the form increased cooperation was to take, an agreement regarding the scale and nature of bilateral trade, settlement on the means and principles of repayment and an agreement regarding the scale and nature of bilateral trade, settlement on the means and principles of repayment and an agreement regarding the export of Libyan oil to Poland. Our exports to Libya for the current year (according to initial estimates) should gross approximately 250 million dollars. Of this total, 60 million dollars was for the export of goods and 40 million dollars for services.

At present some 9,000 Polish skilled workers are under contract in the Socialist People's Libyan Arab Jamahiriyah. In the health field alone, there are some 1,500 doctors, laboratory assistants and nurses. The majority of our countrymen, however, are employed in construction. Polish construction workers, under BUDIMEX contract, have built scores of agricultural farms and hundreds of apartment buildings in Benghazi and other Libyan cities. Additionally, DROMEX is well known for having built thousands of kilometers of road since 1982. Other examples of work completed by Polish experts are a cement plant in Derna, a generating station in Homs and a floating water-front in Tripoli and Benghazi.

The export of Polish services to Libya in the future should continue at the present level and may possibly increase. Our country depends on a positive examination of bids to secure contracts for constructing industrial structures in their entirety. Planned undertakings worth mentioning include a factory for the manufacture of ceramic tile and dinnerware. New bids by BUDIMEX and DROMEX are still pending. Let us add that besides services and construction, Polish exports to Libya consists of construction and road machinery, motorized equipment, cable, pharmaceutical items and sugar.

Brisk trade and economic and scientific-technical cooperation promote excellent political relations between the two countries. The governments of the Socialist People's Libyan Arab Jamahiriyah and Poland display identical or compatible views on important issues concerning international politics. This was evidenced during Muammar Qaddafi's visit to our country and is a result of political policy. During his visit, the Libyan leader stated, "We are a people who believe in the principles of friendship and are incapable of betraying that friendship. Our trust in you strengthens as we become familiar with the good, progressive tendencies and directions which are being realized in your country."

Similar beliefs are shared by both countries and are based on a mutual understanding of problems faced by all peoples. The Libyans are pleased to receive Polish support in their activity of unifying the progressive forces

in the Arab world. Both of our countries are opposed to the U.S. administration's attempts at interfering in the internal affairs of other countries. Libya and Poland have had bitter past experiences with such attempts, for instance, economic restrictions imposed on our country, and the CIA's recent assassination attempt against Muammar Qaddafi.

Tripoli and Warsaw have consistently condemned Israel's aggressive annexationist policy and the racist regime in Pretoria. Poland and Libya stress the significance of the peaceful efforts made by socialist countries aimed at reducing and stopping the arms race. Close and friendly contacts exist between each country's delegation at the Disarmament Conference. One of the fundamental principles of Libyan foreign policy is extensive cooperation and friendly relations with socialist countries. The most recent example of Libya's consistency in putting this principle into practice is Colonel Qaddafi's October visit to Moscow where he discussed bilateral concerns and current world problems with Soviet leaders.

During the height of economic restrictions and an extensive anti-Polish campaign led by the West, distant Libya stood behind our country and expressed her support for all measures taken to bring about a normalization of our situation. Colonel Qaddafi had stated that "Poland is a country dear to the hearts of Libyans. The domestic crisis in Poland concerns Poles alone and should not become a target for imperialism." Polish-Libyan cooperation and friendship have extensive political and moral foundations and the planned visit by the President of the People's State Council, Wojciech Jaruzelski, will only serve to strengthen this.

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POLITICS POLAND

PEACE EDUCATION SYMPOSIUM CONCLUDES

Warsaw RZECZPOSPOLITA in Polish 28 Nov 85 pp 1, 2

[Text] A symposium devoted to the problems in peace education concluded on 27 November in Cracow. Taking part in the 2 day debates organized by Jagiellonian University and the Military Political Academy were distinguished military and civilian scholars, experts in the fields of sociology, psychology, pedagogy, political science, history and philosophy, as well as students from the Academy.

During a discussion on the problems connected with the idea of peace in the national consciousness of Poles at the turn of the 19th and 20th centuries, Lieutenant-Colonel Jerzy Kazimierski stated that a feeling of security in a divided world is relative and not to be assumed to last forever. However, even in a situation of long lasting peace (in regard to Europe) there occur unfavorable conditions which give rise to the opinion that peace can be threatened.

During the symposium which the UN accepted in form and called forth by Poland with a "declaration to prepare society for a life of peace", many problems were raised which revealed the causes of war and which had a deciding influence on the development of peaceful ideas and in educating the young in a spirit of peace.

Soviet research on the dialectics of war and peace were discussed by Colonel Ryszard Rosa. The foundations of a peace policy in socialist countries, as opposed to capitalist, lie solely in the principles of a socialist system which is based on the rule by the working class, a Marxist-Leninist ideology condemning the use of violence and coercion in relations between people, nations and races, and a propagation of humanistic ideals and a world without war and social injustice.

Letters from Politburo member, KC PZPR Secretary Jozef Czyrek and from the chief of the Polish Armies' Main Political Directorate [GZP WP] and deputy minister of national defense, army general Jozef Baryla were read to those attending the symposium.

The KC PZPR Secretary stated: "Our party and country will always stand in the defense of peace and make the education of society in the spirit of peace one

of the primary tasks in domestic as well as international politics. I express the conviction that your initiative will meet with a wide response inside the country and be instrumental in propagating the problems connected with peace to groups of youth, teachers and Polish intelligentsia."

The GZP WP chief wrote: "We in the military proclaim ourselves for the peaceful coexistence of peoples and socioeconomic systems based on mutual respect and ideological, economic and cultural emulation, and for weapons reduction and disarmament. Let the voice of Polish scholars confirm the truth of our times, that socialism and peace are inseparable."

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BRIEFS

HOSTILE GROUP IN VUCITRN--As a result of action by the internal affairs organs and nationwide defense and self-protection elements, seven persons acting from the position of Albanian nationalism and irredentism for the hostile organization "Marxist-Leninists of Kosovo" and the "Movement for an Albanian Socialist Republic in Yugoslavia" were uncovered and arrested. This illegal group in Vucitrn was composed of Avdulah Zegrova, employed at the "Ramiz Sadiku" construction-industrial combine in Pristina; Enver Ramadani, employed in the revenue administration in Vucitrn; Dzavid Zegrova employed in the "Polet" textile factory in Vucitrn; Abdurahman Madjuni, 4th-year student at the Economics Faculty in Pristina; and Sabit Tahiri, Baktir Haradinaj, and Ljuam Badivuku, all employed as engineers in the galvanized sheet metal plant in Vucitrn. The investigation of the first four persons has been entrusted to Muharem Ramadani, investigating judge of the district court in Vucitrn. We have learned that all members of the group were suspended from the work organizations where they had previously been employed. We have also learned that Ljuam Badivuku was recently set free. The Vucitrn group distributed pamphlets and flyers with hostile content and other propaganda material. The members of this group directed their actions toward consolidating the illegal organizations and groups in the country and abroad into a unified movement, the so-called "National Front for the Republic of Kosovo." The hostile organization, "Marxist-Leninists of Kosovo" acted on the basis of a program and statute and succeeded in forming "so-called central committees in some Kosovo opstinas." Weapons were found at the time of arrest of some members of the organization. Criminal proceedings have been initiated against another 56 persons who have been active in some Kosovo opstinas. [Excerpt] [Pristina JEDINSTVO in Serbo-Croatian 15 Feb 86 p 4] /12947

CSO: 2800/184

SCIENCE AND TECHNOLOGY HUNGARY

MAGYAR ELEKTRONIKA, TABLE OF CONTENTS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 2-3

On Our Cover

On our cover are the newest products of REMIX. As a result of the investments and product changes the quality of the modern, new products of Remix is the first--among parts manufacturers--to come up to the international level. The resistor and condenser manufacture based on a Siemens license guarantees reliability and fulfillment of the requirements prescribed in IEC standards. REMIX is going further in development; its hybrid circuit manufacturing plant begins production this year, thus aiding parts supply for our communications industry.

Parts

The Parts Seminar in September gave us the idea of dealing in a stressed way with our manufacture of electronic parts. In the course of collecting articles we found that even at the end of the Sixth 5-Year Plan it cannot be said of our parts industry that it is developing in a lively way. The articles published, each describing some partial achievement, largely reflect this.

Janos Goblos summarizes the new technology for device manufacture and reviews surface mounting. Miniaturization is continuing too and the device manufacturers are demanding new types of parts. In the near future our parts manufacture must prepare to satisfy the demand, prepare to manufacture SMD parts. Both REMIX and the MEV [Microelectronics Enterprise] have begun making preparations and mass manufacture will begin by 1986-87.

The three authors Pasztor, Berkecz and Forrai--who work at the MEV--write about a significant theme, the development of sensors. The resistance thermometer described by them already exists, a semiconductor sensor which could be manufactured. Starting manufacture depends only on demand.

Lajos Kamori writes about the the development of piezoelectric ceramics at KOPORC [Electronic Parts and Technical Ceramics Manufacturing Enterprise]. We can learn for how many purposes the various types of piezoceramics can be used. We also want to aid users with the data sheets published in our NEW PRODUCTS column.

Vecsei and Fodor describe the results of ferrite development taking place at the HAGY. In the area of traditional parts also, for example in the area of transformers, a struggle is being waged to reduce size and improve quality. The authors provide a graphic summary of the properties of ferrite materials and of the difficulties and achievements of development.

We did not receive an article from KONTAKTA (or rather, the material received was a simple product description), but we hope that even so there is development there.

Control Technology

This column appears for the first time. We would like to show the use of microelectronics in modern control technology systems. The PLC equipment is replacing earlier control devices and microcomputer control is spreading. We are hoping for observations, recommendations and--not least of all--articles from our readers dealing with this theme.

Systems

Our SYSTEMS column contains a summary of cable television systems which should be of general interest. We read Sandor Stefler's article about the wonderful services of CTV systems already operating in developed states a little bitterly, but we trust that a similar system will exist in our country shortly.

Professional Policy

The article by Tibor Somlai took this column. The question he raises is not a new one: Is use of user integrated circuits profitable? Even today the answer is not an unambiguous yes or no. The author surveys the capitalist market and compares the conditions there with those at home. He does not say as openly as we that the basic difference in parts supply is that in the West there is one and here there is not. User integrated circuits could contribute to a solution of this problem.

Advertisements, Product Descriptions

Advertisements not only add color to our journal but also provide important information in a graphic form. Our product descriptions frequently supplement difficult to obtain catalog pages and prospectuses. We will publish data sheets providing technical data in our NEW PRODUCTS column for 5,000 forints per A/4 page (in black and white).

8984
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BIPOLAR IC PLANT OF MICROELECTRONICS ENTERPRISE

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985, 4 page insert

[Article by Bela Laczko: "Factory of the Future--The New MOS-Bipolar IC Element Factory of the MEV"]

[Text] We will lead our readers into a closed world. Its closed nature is not indicated by bars and jingling keyrings; this plant is a work area hermetically sealed from the outside world, a so-called high purity work area. The manufacture of integrated circuits cannot be imagined otherwise. Just think what would happen if a speck of dust or sand 60-80 microns in diameter should settle on a silicon chip if figures 5-10 microns in size had to be formed there. The question is only poetic. The new plant of the MEV [Microelectronics Enterprise] must have at least "10,000 purity"; this means 10,000 specks of dust of no more than 0.5 microns diameter per cubic foot (a cubic foot is about 0.03 cubic meters). The internal work areas have a purity of 1,000 or even 100. This is why it is not easy for us to get into the completely sealed building. First we must undress and then put on special cowled work suits. Then comes the air shower. Even so we disturb the purity.

Inside the view is fascinating, like something from science fiction, people in protective clothing slipping along behind glass walls. In order to understand what we are seeing we must understand the basics of IC manufacture.

The first figure shows a cross section of an MOS integrated circuit transistor. On the p type wafers they first grow a "thick" (500-600 nm) oxide, then they put windows in it (remove the oxide) at the site of the transistors. Another oxide growth follows, but this is thin (about 100 nm) and must be especially pure or the transistor will not work. A polysilicon layer is deposited on the thin oxide with CVD technology (chemical vapor phase layer deposit). With the aid of the photoresist technology, by etching, one must form the control electrode (gate) out of the polysilicon layer and the thin oxide (the figures are formed out of light sensitive lacquer with the aid of the so-called mask), forming the polysilicon conductive network at the same time. Diffusion follows after cleaning the wafer. The n type source electrodes and drain electrodes are made with phosphorus diffusion; thus the polysilicon layer will also be n type and its resistance will decrease. The entire surface of the wafer is protected by phosphor glass, then at those places where they want to create a contact to the metal conductive network they open windows in

the glass layer. An aluminum layer is deposited with vacuum vaporization and then the metal conductive network of the IC is formed with another photoresist operation. A new glass layer now protects the finished circuit and the glass layer is removed only from the sites for wiring. This is element manufacture. (The other operations--which we call mounting--are not done in this plant.)

This is the simplest NMOS technology. In practice they use ion implantation--to set threshold voltage and prevent surface channel generation. Another operation used many times, the chemical cleaning, must be mentioned. This is done so that the silicon wafer should be clean--nearly perfectly clean--before the operations mentioned thus far.

Among the steps of the MOS technology we must stress two--the photoresist technology and the thin oxide growth. The significance of the latter is given by the fact that the MOS transistor will work only in the event of a suitable oxide layer. The photoresist technology is the other critical operation; with this one can "sketch" the proper areas, and the size of these is certainly not large. It is no accident that this technology is characterized by the smallest permitted size prescribed in the design rules. The present 5 micron technology of the MEV represents a medium level.

At first approach the bipolar technology seems somewhat more complicated than the MOS technology. Let us study the process of production with the aid of the cross section seen in the second figure. In the drawing one can see a p-n junction isolation bipolar IC transistor. The base wafer is the p type. After oxide growth and opening windows the buried layer is prepared with arsenic diffusion. This strongly doped n+ layer reduces the collector series resistance. An n type monocrystal silicon layer is grown on the specially cleaned wafer; we call this the epitaxial layer; this will be the collector of the transistor. With the aid of more oxide growth and opening of windows it is possible, in the course of boron diffusion, to create insulated collectors within a circuit. After etching the thick, strongly boric oxide they grow a 500-600 nm base oxide in which they form the sites for the bases of the transistors and the resistors of the circuit. The p type layers are also made with boron diffusion. In the course of base diffusion another oxide layer is grown, now to prevent phosphorus diffusion. Where there will be emitter and collector contacts, naturally, they must remove the oxide layer. (The collector contact provides the ohmic contact to the high specific resistance collector layer.) After phosphorus diffusion also an oxide layer is grown; windows must be opened in this at the sites of the contacts; and so the elements of the circuit, so far separate, can be "integrated" with the aid of the metal network. The bipolar circuits are also provided with a phosphor glass protective layer as we saw for the MOS devices.

The three chief operations of the bipolar technology are oxide growth, window opening and diffusion. The epitaxial layer growth not used in the MOS technology adds to this. There are also bipolar circuits where ion implantation is used; for example, resistors with high values are made with this.

Let us look at how the chief operations are done in the element manufacturing plant of the MEV. In our first picture we see wafer cleaning. The wafers with

a diameter of 75 mm loaded in teflon baskets are immersed in various chemicals and then washed very thoroughly with high purity water. From here the dried, clean wafers go to oxide growth. An oxide layer can be formed on the surface of the silicon wafers simply; the silicon is transformed into silicon dioxide in the presence of oxygen at a high temperature (1,000-1,200 degrees Celsius) or in the presence of wet oxygen (oxygen loaded with water vapor). The pure, dry oxygen growth is used only to produce the gate oxide for MOS devices; thicker layers are made with the wet process. The Soviet made diffusion heaters are suitable for both oxide growth and diffusion (second picture). The diffusion temperature is also around 1,000 degrees Celsius depending on the quality of the diffusion material and the depth of the diffusion.

Ion implantation is the youngest operation of semiconductor technology in age. The doping material is shot into the surface of the wafer in the form of accelerated ions. Very special equipment is needed for this. It must produce the necessary ions, separate them from other ions and neutral particles and then accelerate them to the desired energy with a voltage of several 10 kV. The MEV has several of these so-called implanters; these can provide the small dose implantation needed to set threshold voltages, set very precisely, and the large dose implantation as well (third picture). The epitaxial layer growth can be regarded as a special technology for the formation of doped layers. With this technology it is possible to produce on the surface of the wafers a monocrystal layer of a definite type several microns thick with a definite doping concentration. In the reactor the silicon is reduced with hydrogen from the silicon compounds at a very high temperature (above 1,100 degrees Celsius) (fourth picture). The desired doping material is also produced by the reduction of some compound. Epitaxial layer growth, polysilicon deposition and even the production of phosphor glass belong in the large family of CVD technologies (chemical vapor phase layer deposit). The latter are now produced at reduced pressure in a hot wall system--similar to the diffusion heater--or by deposition aided by plasma. The modern reactors of the MEV are microprocessor controlled; setting the temperature and the gas doping are automatic. In the fifth picture one can see such an LPCVD (reduced pressure) reactor.

It is worth while to deal separately with the operations of the photoresist technology. Here we are received by even greater purity and by yellow lighting; we do not see much even of the faces of the workers. The Soviet made equipment makes possible the performance of these operations requiring special precision. In the course of our outline of the technologies we saw that the photoresist operation must be used many times. In most cases appropriate designs must be formed to work the oxide layer, but the network can also be etched out of the polysilicon or metal layer with photoresist lacquer protection. During ion implantation also a photoresist lacquer protects those areas where the ions need not be implanted. First the wafers must be cleaned (seventh picture), then they are coated with the aid of a centrifuge. The design on the mask is copied onto the dried lacquer with ultraviolet light. This requires high precision equipment called a mask adjuster (the precision is plus or minus 0.2 microns); with this the design on the wafer can be fitted to the design on the mask under a microscope (eighth picture). The operation requires good equipment and great practice. The developed design (the lacquer is dissolved away from the places where it is not wanted in a solvent) must be

etched from the oxide or other layers--protected by the lacquer--after heat treatment. Today a plasma chemical method is most often used for etching. In the equipment (ninth picture) the reactive particles of the plasma created by an electric discharge quickly remove the given layer from places not protected by lacquer.

Finally (tenth picture) we show deposition of the metal layer. The conductive networks of integrated circuits are--generally--made of aluminum. The aluminum is vaporized in a vacuum by electron ray heating (or other method) and precipitates on the relatively cold wafers.

This is the end of our tour. We hope that we succeeded in giving some sense of what characterizes this special world and that the manufacture of integrated circuits has become more understandable. We know that very soon this beautiful new manufacturing line will be a significant factor in domestic parts production. At the same time we must see that there is no halt in development here; the battle is being waged in microns. With further development the present manufacturing line can be made suitable for 3.5 micron technologies. It is the goal of the MEV to reach the 2 micron level by 1990. We trust that they will achieve their goals, thus aiding the further development of the entire electronics industry.

8984
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HEAD OF COMMUNICATIONS ENGINEERING COOPERATIVE INTERVIEWED

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 4-6

[Interview with Lajos Koveskuti, president of the Communications Engineering Cooperative, by Bela Laczko]

[Text] [Question] The Communications Engineering Cooperative and you personally have earned a number of distinctions recently--you became a CEMA level outstanding cooperative and comrade Koveskuti won the Eotvos Prize and was elected to the Central Committee of the MSZMP. First of all we congratulate you for your beautiful successes. We would like it if our readers could get a brief historical review as an introduction, about the development leading from the beginning to today.

[Answer] I thank you for your praise of our successes and for your interest in our cooperative. Our achievements commend the work of that collective which has been working here with enthusiasm and in an innovative way for 34 years--since we were founded. Beginning at the end of the 1950's, with the beginning of domestic television, we have been dealing expressly with TV technology, I might say that we have become the "background industry" for television. But what might be called our profile over these few decades is a good bit broader than this.

We started in a good direction, with a few engineer and technician colleagues, when we began to develop a television signal generator. Since the beginning of the 1960's we have also been manufacturing industrial cameras and monitors. More and more outstanding experts joined us.

The president and leadership of the cooperative at that time accepted and supported the plans of the young technicians and an atmosphere developed which made innovative work possible--to use the contemporary word. Inventions and then patents stamped their high level developmental activity, which would have been worth little if there had not been manufacture with outstanding technological preparation and well functioning marketing.

Of course in the heroic age it was not yet possible to separate these activities; often the same engineer developed at night what he organized manufacture of the next day, and then he would get on a plane the third day to talk about technical-scientific cooperation in some distant ministry, which also meant a sure market.

By the end of the 1960's we already had manufacture of service instruments as a specialized institution of CEMA and our annual production approached 200 million forints. In the middle 1970's we created a large piece of equipment, with Soviet developmental financing, which meant a qualitative leap; with its manufacture we reached the studio level.

In these years we decided to combine our scattered units working in Budapest and began construction of a complex at our South Buda site to offer large scale operating conditions. Our own main department for planning, construction and investment and our own construction brigade guided and organized the work and goaded the outside enterprises. Eight buildings were finished one after another, with a total base area of 22,000 square meters, and so we could combine all our Budapest activities. This brings us to today, the number 8 technological building recently began regular operations.

Our plant in Boglarlelle was an important help to our Budapest unit; it has been modernized continually since 1970 and takes care of indispensable manufacturing tasks. As an expansion of it a smaller manufacturing unit has been operating in Fonyod for a year.

Our total personnel approaches 1,500 people. Our production approaches 1.3 billion forints. We have not been among the little ones for a long time; we would like to be one of the big ones, but "only" in the quality of our products.

[Question] What does the cooperative produce, for what markets, with what productivity and with what expenditures? It would be good to know if the HT [Communications Engineering Cooperative] was outstanding among our electronic enterprises in these areas. And another very difficult question for this group: How did the cooperative achieve these results?

[Answer] Our products move over the scale from TV service instruments to TV image processing systems, including laboratory instruments and manufacturing technology and studio equipment; our closed-circuit TV systems cover all the areas covered by the word from educational applications to security alarm systems. Our computer technology equipment is also known in school and metrological applications. This is an activity sphere with many branches but one which is closely interdependent; it is based on small and medium manufacturing series and on custom manufacture with well organized work and a large investment of intellectual capital.

We have no marketing difficulties. In 1984, with net sales receipts of 1.295 billion forints, 75 percent came from export and 25 percent came from domestic sales. Our planned sales receipts for 1985 are higher by more than 100 million forints, 1.4 billion forints. Of this 1.0 billion will go to socialist export (including 0.8 billion forints' worth of CEMA specialized products, fixed in an interstate agreement) and we have 55 million forints' worth of orders from developed capitalist countries. Developed countries such as the U.S., the FRG and France are interested in three of our product families--the instrument family, industrial TV cameras and most recently in a few units of the cable television systems. We see good possibilities in the export of units for CTV systems; we have already developed several units (for example, half-sideband and two-sideband CF modulators) on order for a capitalist partner (with a 3 month deadline!) and already have orders for them worth 2 million DEM. Our

special TV cameras also are competitive on the international market; for example, we can deliver them to the U.S. and get the desired profit.

In regard to productivity it might be best if we characterize our achievements with the category of "added value" (GDP). In 1984 this was more than 555 million forints, 15 percent more than in the preceding year. I can characterize expenditures with "added value per wages" as an easily interpreted datum; this was 4.5 forints per forint. (The average for communications engineering enterprises was 3.16 forints in 1984. --the editors.)

I feel that our achievements are not accidental. The secret is primarily in finding and keeping good experts and creating an atmosphere which helps their work. I am convinced that most "decent" people try to be good or even outstanding experts in a given field. In many cases they themselves do not know what it is. It is the task of leadership to put them where their abilities can unfold. Experts love what is new, often this is enough, if we do not hold them back in realizing it. They receive encouragement here. We try to honor our creative experts, not only morally but materially as well. It is difficult to change the bad domestic practice but we can do it. We are gradually but constantly expanding the gap between the pay of technical-economic experts and the other workers. When the wage development at the cooperative was 6 percent we gave the technicians 9-10 percent. Those working in manufacture understood; if they are to have work and earn well there is a need for the creative, developmental, organizing activity of the engineers and economic experts.

[Question] We understand that the cooperative leads in the application of microelectronic development, was among the first in microprocessor technique and is unambiguously first in use of user design (otherwise known as equipment oriented) integrated circuits; indeed, the cooperative itself established a microelectronics plant to process CMOS ULA base wafers. We would like to hear something concrete about the applications and we would be interested in what the interdependence is between use of the user IC's and establishment of the microelectronics plant.

[Answer] The Communications Engineering Cooperative always led in technical development; perhaps we need mention only that we were the first users in Hungary of the TTL circuits, the CMOS logic circuits and microprocessors and a few years ago we were the first in Hungarian industry to use equipment oriented circuits based on semiconductors. Since then six uniquely designed (full custom) circuits have been prepared and others are under development. These LSI-VLSI CMOS technology circuits make possible the extraordinarily modern developmental level of our products. The cooperative played a significant role in CEMA specialization; we are the patrons of service instruments. The dimensions of our microelectronic service instruments are decreasing, their energy consumption is being minimized and the level of their technical services is rising. There are frequently circuit subassemblies in the instruments the integration of which requires semicustom circuit solutions on the basis of technical and economic considerations.

Traveling the developmental path briefly outlined so far we came to a decision on the basis of which a plant was established in the HT to design gate arrays, manufacture, assemble, encapsulate and test chips, partly to satisfy our own

needs and partly to satisfy such needs of domestic users. In the plant we now deal with the processing of two gate array families; one has a 3-500 gate complexity with the relatively slower metal gate CMOS technology; the other is a silicon gate CMOS family with a complexity of 500, 1,000 and 1,500 gates. Using the above basic types our engineers have started design of nearly 30 circuits thus far; half of these have been successfully completed, that is, the functioning of the planned circuit has been verified on electric models; indeed, series manufacture of several types has begun already.

Our design capacity is very narrow at present; it must be expanded. We have our own design system and a nucleus for the design staff has developed. On the one hand we would like to expand this design staff by hiring young people and by retraining design engineers working in other areas; on the other hand we will cooperate with other institutions. Among these we have developed the closest link with the Microelectronics Research Institute of the KFKI [Central Physics Research Institute]; the Microelectronics Parts Association (MEAT) founded with them is already functional. The 20 years of experience in microelectronics technology and design of the people at the KFKI helped a lot in getting our microelectronics activity started. In addition we have good links with the MEV [Microelectronics Enterprise] and we see a possibility for design and marketing cooperation with the new enterprise Mikromodul.

Manufacture will begin shortly in our microelectronics plant and I hope that by the time this interview appears experimental manufacture will be taking place in the plant. Our technologists are prepared and I trust that they will be able to overcome the very many problems which come up when putting such a complex technological line into operation. To a significant degree this plant will manufacture circuits for our own use, but we are accepting outside commissions also. There are already interested Hungarian enterprises which have ordered circuits. Some of these are already ready at the design level and manufacture can begin when the plant starts up.

Our initial experiences in the area of gate arrays are favorable and we feel that thinking in terms of microelectronic development and designing and manufacturing microelectronic circuits in-house represents a revolutionary step, not only in the quality and reliability of the products of the HT--and not least of all in the cost-effectiveness of these products--but also it can represent all these advantages in the domestic user industry.

[Question] We understand that the cooperative has started on really big investments, is setting up for self-sufficiency in a number of areas--printed circuit manufacture, surface treatment, microelectronics, for example. What is the reason for this, or we might ask, what prospects justify development on such a scale?

[Answer] Our investments in the development of technology will be determining from the viewpoint of our future. In the interest of our competitiveness we must establish all those supplementary activities which represent our own "background industry." This is how we acted in earlier years too, but the difference now is an essential one--with an accelerating tempo we succeeded in realizing certain background industry areas as the first in the country, in a way which represented a background industry for others as well. Such investments were the above described microelectronics plant and the planned surface mounting technologies plant. Let us note that we enjoy the support of

the OMFB [National Technical Development Committee] because with all this we are working to advance the entire communications engineering industry.

I would like to describe our ideas with a few sentences. The reason we are to a large extent developing our own "background industry" is basically the need to modernize manufacture. The view that one needs not only quality design but also manufacturing at a high technological level in order to produce modern products is not yet entirely a general one in Hungary. Perhaps we should start with surface preparation! We had very many problems from the fact that we did not have a surface preparation plant, so the "external form" of our products frequently left something to be desired. The surface treatment plant established--at the European level--makes it possible for our products to look no worse than the product of any Western European firm. Similarly we want to go further in the manufacture of printed circuits. Investment on a fine line printed circuit manufacturing line has begun; this will not only make possible production of chips of the desired quality but also--later--will create the possibility of our converting to the surface mounting technology. These investments and the microelectronics plant guarantee that our products will be at the world level not only up to the time of designing a device but also after it is finished. This gives the real prospects, not a quantitative increase in production.

[Question] The readers of MAGYAR ELEKTRONIKA are accustomed to learning something about the personal aspects of people figuring in the journal. We usually begin, Do you have a family, hobbies? Would the comrade president say something about that?

[Answer] You are asking me to talk about myself. Let me say frankly that I do not like to do so. If I absolutely must say something then let me say only that two factors determine my life--my work and family. I was young when I came to the cooperative and began my career as a developmental engineer. Proceeding upward in various assignments, effective professional work was forced increasingly into the background, I simply did not have time for developmental work. It was difficult to accept this, but despite this I have feelings of success. The family always was and still is the other determining factor in my life. A man needs an understanding, helpful family background to be able to do burdensome work of long duration. I have such a background. My wife is a wonderful woman. She has done very much so that I live and work in a good atmosphere. I have three grandchildren whom I love very much. The love of grandchildren is something different than that of children. They give me very much joy and I am happy.

[Question] Thank you very much for the interview. I wish the cooperative further success and I wish you good work and the strength and health for it.

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PIEZOELECTRIC CERAMICS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 28-31

[Article by Lajos Kamori: "Piezoelectric Ceramics and Their Product Assortment at the KOPORC"]

[Excerpts] The applications for piezoelectric ceramics are already quite varied--filters, vibrators and sound generating devices are made of them. With miniaturization it has become important to develop sound generating and indicating devices of very small size. The present article summarizes the results achieved at the KOPORC [Electronic Parts and Technical Ceramics Manufacturing Enterprise].

The Piezoceramic Products of the KOPORC

In accordance with the needs the KOPORC manufactures disk and flat converters of various sizes. The maximum size of the disks is 35 mm with a thickness of 10 mm. The maximum length and width of the flat converters is 15 mm with a thickness of 2 mm. We intend to increase the dimensions in the near future.

In general we use our material designated Piezolit 5 to manufacture these products. Its characteristics are:

density: 7.6 g/cubic cm,
plane coupling factor: 0.55,
frequency constant: 2100 Hzm,
mechanical quality factor: 70,
piezoelectric constant: d_{33} min. $300*10^{-12}$ C/N, g_{33} $31*10^{-3}$ Vm/N,
Curie temperature: 350 degrees Celsius.

At present the KOPORC manufactures three types of buzzers. The PKZ 42-9 is a broad band type without electronics. It can be used advantageously to indicate sound frequency voltages. The PKZ 21-13 is a narrow band type with electronics. It operates on direct current. It gives acceptable sound pressure with a small size and little current use.

The PKZ 36-21 type is also electronic, a narrow band buzzer operating on direct current. It gives relatively high sound pressure and so can be used in a noisier environment.

Csaba Gyarmati has written in more detail about KOPORC buzzers (HIRADASTECHNIKA, 35, 42, 1984).

The manufacture of additional acoustical products is being prepared. Our page in the NEW PRODUCTS column gives detailed technical data on the acoustical products of the KOPORC.

Among our filters the CF 455-A is actually a resonator; using an emitter bridge instead of a condenser significantly improves selectivity.

The CF 455-B and CF 455-C are band filters for the AM MF stages of radios.

The CF 5.5 and CF 6.5 C filters are made for the audio MF stage of television sets.

The CF 10.7 C filters can be used in the FM MF stages of radios.

Lajos Kamory

I was born in Budapest in 1942. I graduated from the Veszprem Chemical Industry University in 1966. I then worked in the Semiconductor Development Department of United Incandescent where I dealt primarily with a study of semiconductor surfaces. I wrote my doctor's thesis from this material. Since 1973 I have worked at my present job in the KOPORC. I deal with the development of piezoceramic materials and parts and the technology for their manufacture. I am married and have three children. I spend my free time primarily with my family. I like to read and sometimes play bridge with my friends.

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SCIENCE AND TECHNOLOGY HUNGARY

PROGRAMMABLE CONTROL EQUIPMENT

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 38-44

[Article by Peter Zalotay: "Programmable Control Equipment (Type TPV-1) And Its Applications"]

[Excerpts] We have been dealing with modern programmable control equipment at the Heavy Current Automatics and Equipment Institute of the Kalman Kando Electric Industry Technical College since 1976. The theme plays a significant role in both instruction and research and development activity. I describe below the TPV-1 type programmable control equipment developed at the institute--on an industrial order.

Applications Possibilities

The stored program control equipment was developed with the primary goal of replacing the traditional relay controls.

The selection of output units makes possible the direct control of small and medium capacity switching devices (relays, magnetic switches) and other electromechanical intervention organs (valves). The input interface unit transforms the state of the primary switching elements into a voltage logic signal, but it is also suitable for accepting two-state voltage or current signals.

The potential isolation of the input and output signals makes the control equipment suitable for use in a "noisy" industrial environment.

The broad applicability of the TPV-1 type control equipment is made possible by the fact that in addition to combinatory control tasks the software level solution of delay, counting and comparison makes it suitable for sequential control as well. Implementing the latter does not require special hardware units in addition to the units already described.

The storage capacity of the user program is 4 K bytes. Considering that the majority of the instructions take 2 bytes it is possible to realize with this equipment tasks which can be described with a program of about 2.5-3 K bytes length--depending on the character of the task. The program capacity and the maximum of 256 input channels and 256 output channels ensure the broad applicability of the equipment.

The units of the control equipment are made in the 2x Europa card size. The equipment can be assembled unit by unit in a rack or in a cased version. In photographs 1 and 2 one can see the cased version which was exhibited at the 1983 Budapest International Fair. At the exhibit the equipment was demonstrated with a program to protect against surges at a power distribution substation.

Peter Zalotay

I am a graduate electrical engineer and college lecturer. I was born in Szentes in 1938. I earned my diploma in 1963 in the communications industry section of the Electrical Engineering School of the Budapest Technical University. I began my professional work in the Fluorescent Lamp Factory Unit of United Incandescent. After that, for 5 years, I was engineer-teacher at the J. Landler Machine and Communications Industry Technical School. I have been working at the Kalman Kando Electric Industry Technical College since 1969, presently in the Heavy Current Automatics and Equipment Institute of the college. I do teaching and research in the area of hardware and programmable electronic controls. I have been dealing with development and use of programmable logic controls (PLC's) since 1976.

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SCIENCE AND TECHNOLOGY HUNGARY

CONSUMER IC'S, DOMESTIC PROBLEMS

Budapest MAGYAR ELEKTRONIKA in Hungarian No 4, 1985 pp 60-68

[Article by Tibor Somlai: "Concerning the Capitalist Market for User Integrated Circuits--In the Mirror of Domestic Problems"]

[Excerpts] One of the central elements of the Electronics Central Development Program adopted in 1981 is domestic manufacture and use of equipment oriented and user oriented integrated circuits. In the time since 1981 several important phases of the investment have been concluded and products intended for commercial trade are already being made on one of the new manufacturing lines. Trade in user circuits is slowly beginning, but today we meet with a number of technical and other difficulties and the take-off is not so vigorous as we might have hoped.

Among the phenomena of the capitalist market for user circuits I will deal in the article primarily with those which can be related to the problems experienced on the domestic market. In addition, on the basis of an analysis of the capitalist markets, I would like to provide the reader with information of primarily an economic character which--we feel--has thus far received little room in the domestic professional literature.

Lessons, Critical Points From the Viewpoint of Domestic Manufacture, Use

1. An analysis of the international market for user IC's proves that in the case of this product group a following semiconductor wafer technology level is sufficient, and that only this can give hope to smaller firms or those newly entering the microelectronics branch. At the same time it must be emphasized that:

--Even a following semiconductor wafer technology must reach a minimal--and constantly rising--technical level if marketable user circuits are to be made with its aid. (Today this level is primarily the CMOS technology, in general with a geometry between 3 and 5 microns.)

--The phases outside of the wafer technology must represent the highest level, and within this the quality of the design and testing processes should receive special emphasis. A study of the capital intensity of these work processes shows that very significant assets must be expended here to make use of the intellectual work.

2. The priority of innovations linked to production processes (to technology) as opposed to product-centered innovation is characteristic of the semiconductor industry as a whole. In the design and manufacture of user circuits also special consideration must be given to technological discipline and the high level requirements made of work organization; at the same time we know that in our country the level of such activities is not too high in general. It can represent a similar or even greater problem that manufacture of and trade in user integrated circuits, because of their service character, require very intensive manufacturer-user contacts, a perfect material supply system and very well "oiled" contract contacts where the commercial and information lines necessarily cross national borders in the case of a smaller country. Trade in this product group requires a high level of services, a level which even the market mechanisms of the most developed capitalist countries could not provide for a long time. All this is a warning that really successful domestic production of user integrated circuits requires special efforts on the part of the manufacturer and changes in the general economic environment going far beyond the problems of this product group.

3. Studying the cases of developed Western European applications and the actual trade figures it appears that even there use does not always go easily; even when developed products and services are offered this new concept is slow to fit into the technical and production culture of the user enterprises. Integration to silicon requires from the user an assumption of risk and the tying down of relatively significant resources and only hard market impulses will force the spread of applications going beyond the level of technical experiments. We believe that the domestic electronics industry not only needs such environmental effects from the viewpoint of user IC applications but also that if there is to be a wider spread of the domestic user IC culture then a technical, structural and economic renewal of the equipment manufacturing industry is indispensable. In other words, only a modern industry will demand and be able to effectively use modern products.

4. In addition to recognizing the basically successful technical conception it must also be seen that manufacture and use of user integrated circuits will take place in a constant competition struggle with other product groups--in the complex environment of constantly changing semiconductor industry technologies. So it is possible that even in the future it may be more efficient and cheaper to satisfy user needs representing a following level by means of software adaptation of purchased catalog circuits--instead of a hardware solution. All this could add to the dilemma of choice among expectations, risks and commitments. Even knowing the present products the choice must be weighed especially carefully when the series sizes are very small, and thus the developmental costs for a user circuit are high.

5. In the course of an analysis of the user integrated circuit market of developed capitalist countries, however, the chief experience to be gained is still that in the near future these products will form one of the chief trends in integrated circuit technology and the market for them will constitute an ever increasing segment of the market for integrated circuits. At the beginning of the 1980's an effort to get into the microelectronics market appears at the government policy level as a principle of industrial development in every developed capitalist country with an electronics industry and in general, as the first phase of this, the goal designated has been design and manufacture of user integrated circuits--primarily because of their strategic importance.

Adopting the design and manufacture of user circuits is also important from two viewpoints. On the one hand it is essential for the larger firms or for national security strategy that the parts development most closely linked to product and system development be "in-house". On the other hand it is more advantageous, in regard to the development of general user culture, if the microelectronics manufacturing base is in the country. In addition, joining in the design activity can have a positive effect on related areas of developed technology--graphics, CAD, software and manufacture of testing equipment.

In the interest of the domestic realization of these advantages and of overcoming the obstacles it is certain that there is a need for hard and consistent work on the part of both manufacturers and users, and it is no less important that the economic regulators and the technical development possibilities should develop in such a way that the domestic electronics industry as a whole can turn in the direction of the world market trends.

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NEW TECHNOLOGIES IN PRODUCTION OF METALS DISCUSSED

Bucharest METALURGIA in Romanian No 9, Sep 85 pp 459-461

[Article by Iancu Dragan, director general of the Central Institute for Metallurgical Research]

[Text] The Institute for Metallurgical Research (ICEM), established in 1950 as a departmental institute specializing in metallurgy, has developed its activities consistent with the orientation and structure of metallurgical progress, seeking to meet the needs created by the metallurgical industry. The institute has developed steadily throughout its existence, being allocated large investments for production and research equipment, machinery, and instrumentation.

This development has been particularly felt during the past 20 years, years during which the secretary general of the party, Nicolae Ceausescu, has devoted constant attention to the growing role of science and technology in the country's economic and social life, and to improved and modernized education, closely related with scientific research and the production of goods.

The continuous consolidation of ICEM's collective as a strong force for introducing technical progress in the metallurgical branch, and for encouraging the creativity of metallurgical engineers, technicians, and workers, has meant that during the 1976-1980 five-year plan, more than 89 percent of the planned investments were completed with domestic designs, a figure which has increased to more than 95 percent during the current five-year plan.

Some of the new metallurgical objectives which have been based on domestic designs and placed in operation, are: the stainless and refractory steel plate section at the Galati Steel Combine (CS); the steel alloy rolling mill for semifinished products at the Tirgoviste Steel Alloy Plant; the rolling mill for small and intermediate cross sections of steel alloys and special steels at the Tirgoviste Steel Alloy Plant; the deep drilling tubular products section at the Republica Tubing Enterprise; and the deep drilling tubular products section at the Roman Tubing Enterprise.

The introduction in production of the results obtained in research, has made it possible to fabricate new steel and non-ferrous alloy products such as: plates for boilers and pressure vessels; cold-milled sheet metal for vehicle bodies; strips for longitudinal- and helicoidal-welded pipe; hot and cold rust-resistant sheets; pipes for the power generation industry and for boilers; stainless steel pipe for the chemical industry; tubular products for very deep drilling; iron alloys (Fe-Si, Fe-Mn, Si-Mn); tool-steel milled products; resistive-alloy wires; extruded aluminum-alloy products for the aircraft industry; aluminum-alloy sheets for the naval industry; and so on.

Today, ICEM has a production base which during 1983 and the first eight months of 1984, produced more than 8000 t of materials with superior characteristics for the advanced industries. For special ongoing programs, it has provided forged blocks and bars of extra pure steels and alloys, flat and tubular products, as well as calibrated wires from among the 14 new types of steels for electrodes and welding rods in the SAOZ program, and the 15 new types of steels for electrodes in the CNE program, in collaboration with the Cimpia Turzii Metallurgical Combine, the Bucharest Heavy Machinery Enterprise, Grivita Rosie, and other users. The institute has started to manufacture a number of special extruded shapes such as high speed elevator slides, hinges for OLTCIT, special alloy tubing for diesel plugs in collaboration with the Republica Transportation Enterprise, finned tubing for the power generation industry, and so on. In addition, it produced a wide range of technical ceramic products to reduce importation, as well as composite special production sandwich materials.

In the fabrication of electrodes for the steel industry, scientific research at the institute and specialized groups at the Central Institute for Chemistry have implemented new manufacturing technologies to reduce specific and power consumption in the production of electrodes, and to improve their overall quality. The industrial results obtained have confirmed that the approach is correct: the electrodes thus obtained are of much better quality and reduce specific consumption in steel plants. It is necessary to continue to maintain the constancy of this technology in the future by assuring manufacturing compositions, an area in which the participation of specialists from the Ministry for the Chemical Industry is a determining factor. The continued supply of acicular coal from domestic production, together with strict compliance with technologic specifications, will form efficient and secure links for a qualitative leap in production at the Slatina IPC.

In steel production, while developing production capabilities in oxygen converters and reducing the proportion of Martin steel, there has also been a great concern for achieving high technical and economic indicators in all phases of technical processes. Work is thus underway to increase the ratio of scrap iron in converter loads, with specific technologies and installations being used on an industrial scale at present on the basis of these projects. Along with the conventional techniques of preheating scrap iron, of post-combustion inside the converter, or of "electrically" superheating the iron load, interest is being shown--particularly for the new perspectives it can open--in coal insuflation. A tight program in collaboration with the Galati CS and IPROMET has been formulated for this purpose.

Also notable is that during the past period, the cumulative effort of research, production, and design specialists has led to the industrialization of modern processes for formulating low-carbon stainless steel with oxygen-argon insuflation at the Galati CS, or with vacuum techniques at the Hunedoara CS. The results obtained, in terms of metallurgical process stability, production quality, and technical economic indicators, testify to the efficiency of these technologies.

In steel production diversification, exceptional results have been obtained on existing manufacturing lines for flat and shaped weldable steel products with high strength and toughness characteristics, thermally processed steels, heat resistant alloy steels, as well as stainless and refractory steels. Also produced were blocks and milled products from alloyed and highly alloyed tool steels, a wide range of products from high-strength chromium and aluminum alloy steels, as well as from nickel alloys of the Invar and Permalloy type. These projects were made possible by the support of specialists from the Galati CS, Hunedoara CS, Resita CS, COST (Tirgoviste Special Steel Combine), CMCT, Otelul Rosu Enterprise, and other Romanian units with a tradition of steel production.

Good results were similarly obtained in collaboration with COST in producing steels for high strength bolts and valves.

Special metallurgical problems are raised by the fabrication of electrical steel strips, and particularly transformer steels. Promising results were obtained together with specialists from the Galati CS and COST, which indicate that the adopted techniques are correct; it remains necessary to hasten the completion rate of established programs and measures.

As part of programs designed to assure domestic materials for the construction of power plants, as well as for aviation, electric machinery, and electronics, researchers together with specialists in metallurgical combines and plants have to solve a large number of technical problems, which require constant collaboration between producers and users. The pursuit of these programs, coordinated by the national Council for Science and Technology (CNST), will provide the optimum framework for completing the proposed objectives.

A special role will continue to be played by improvements in the production structure. Given the good results obtained through standardization, thus reducing by 50 percent the number of types, models, and dimensions of existing steel products, further action will have to be taken to reduce the consumption of steels alloyed with materials that are in short supply.

Economies of energy and fuel have been based on a program to recover usable energy resources, which was begun with analyses at each steel production site aimed at optimizing the distribution of fuel and power.

One of these actions has been to collect and make best use of the secondary combustible gases resulting from the production of cast iron in furnaces and from coal coking.

For better fuel utilization, installations have been designed to introduce furnace and coke gases during agglomeration, steel making, and milling, so as to free various amounts of methane gas or to increase the energy integration of steel enterprises.

Combustible gases and their heat were recovered and used for technical purposes by burning them in special boilers to produce steam and electric power.

These activities will have to be furthered and diversified to fulfill the priority task assigned by the party and state leadership to the metallurgical industry, which is to assure Romania's energy independence by the end of this decade.

In the area of refractory products, technologies were finalized to produce exothermal feeders for radial forging machines; to obtain dolomite and magnesium-dolomite materials for converters; magnesium spinel for making induction furnaces; special spinel products designed to be used in equipment for vacuum outgassing steels; and so on.

Research must continue to help extend the basis of raw materials for metallurgy and associated industries, thus increasing the value both of Romanian and imported raw materials. The rapid and effective implementation of research results in industry, together with the collectives in combines and metallurgical plants, will seek to raise the technical and quality level of products, reduce consumptions--especially of power and materials, and expand the utilization of reusable resources.

In microproduction, steps will have to be taken to increase production capabilities for extrapure steels for aviation, nuclear power plants, resistive alloys, and so on, and to provide the economy with products that are needed in small quantities.

The CS-DT-IPT plan objectives for the 1986-1990 period are derived from the Directives of the 13th Party Congress, from the most recent party documents and orientations given by Nicolae Ceausescu, secretary general of the party, as well as from the indications provided by academy member, doctor, engineer, Elena Ceausescu, first vice-prime minister of the government, and chairwoman of CNST.

The plan includes a number of objectives aimed at developing the basis of raw and other materials, improving the technical and quality level of products, reducing the consumption of raw materials, fuel, and power, further increasing labor productivity, achieving Romania's more efficient participation in the international division of labor, performing fundamental research to obtain the technical solutions needed for the future stages in the development of the national economy, achieving technical and scientific cooperation with other countries, and so on.

In order to develop the raw materials base, technologies are being planned to increase the production of coke, and of coals and their subproducts, to economically exploit Romanian iron and manganese deposits with a low metal content, and to increase the production of refractory materials while improving their quality.

To improve the technical and quality level of products, ICEM is fabricating converter steels with oxygen insuflation, vacuum technologies, as well as insuflation of desulfurizers and deoxidizers in liquid steel. Particular attention is also being devoted to improved extrusion and milling technologies for tubing, precision or designed shapes in steels and special alloys, wires, and strips. An impressive amount of conventional fuel is also expected to be saved throughout the nation by implementing already known technologies, thus helping to comply with national measures for reduced energy and fuel consumptions.

Several research objectives are planned for increasing labor productivity. Cast iron processing outside the furnace will be continue to be developed so as to reduce the content of phosphorus, sulfur, manganese, and silicon, with significant effects on longer lifetimes for refractory linings.

ICEM specialists are planning to apply techniques of high technologic efficiency, minimum consumption, and maximum productivity, such as expanded continuous casting, the formulation of steels by means of non-conventional processes, implementation of computer techniques in all major phases of production, and so on.

In the coming years, the metallurgical industry will place particular stress on new, highly efficient products with a large degree of processing, which will help reduce importations and expand the exportation of high performance materials and equipment. Some of the anticipated products are: new types of thick weldable construction steel plates with high pour limits; various types of tool steel or special alloy strips for the electrical and electronics industry; new kinds of steels for power generation, chemistry, drilling in corrosive environments, and high speed railway transportation; new types of boilers; bearing tubing; titanium and zirconium alloy bars and tubes; special iron alloys; new types of electrodes, chemically bound refractory products, and so on.

The program for greater technical and scientific cooperation with other countries concerns broadening the raw materials base, reducing materials and energy consumptions, long range technologies, greater possibilities for investigating new materials, automated control of steel making processes, and other problems whose solution requires cooperation with other foreign units.

The collective of the institute is determined to continue to contribute through all its activities, in the spirit of the tasks outlined by the party and state leadership and personally by Nicolae Ceausescu, to the development of all aspects of the Romanian metallurgical industry.

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NEW GENERATION OF CZECHOSLOVAK OPPOSITION

Luxembourg LUXEMBURGER WORT in German 11 Jan 86 p 16

[Article by Wolfgang Broer, Vienna: "The Passing of the Olympic Torch in the Czechoslovak Opposition--For the First Time the Younger Generation Takes on the Obligations of the Old Opposition"]

[Text] The Czechoslovak "Charter 77" civil rights movement has shown signs of life again--as it has at the beginning of each new year--and its three new spokesmen for 1986 were nominated. They will shortly provide an accounting of the "charter" activities for 1985, as well as an outlook for the year which has just begun.

The personnel composition of the spokesman-triumvirate is once again very bright, if one considers their political background and origins. Also, a generation change is being seen for the first time. The three new spokespersons are the 61-year-old Jan Stern, the 35-year-old Martin Palous, and the 34-year-old Anna Savato Sabatowa.

The greatest surprise is likely to be the selection of Jan Stern, who was not particularly active recently in the civil rights movement and, more likely, stood somewhat aside. Stern was a journalist with the party organ RUDE PRAVO in the 1950's and defended Stalinist policies at the time. He was no committed party participant in the "Prague Spring," but "converted" at the beginning of 1969 very rapidly to the opposition and was one of the first journalists anywhere who was "purged." He was prohibited from exercising his profession and was forced to earn his living in poorly paid and unqualified jobs. He was one of the first signatories of the "Charter 77" document. In 1984, he retired and substantially withdrew from any activities of the "charter" movement. Jan Stern's first marriage was to Eva Kanturkova, who was a "charter" spokesperson in 1985.

Jan Palous represents that younger generation of the opposition in Czechoslovakia which is following in the footsteps of their parents. He is the son of Radin Palous, a former university lecturer in philosophy, who had also been a "charter" spokesperson and primarily became famous for his seminars and lectures held in private apartments. The political-ideological background of the Palous family can be designated as liberal-Catholic. Martin Palous is a doctor of natural sciences and a trained programmer. He publishes the Samisdat

publication ESSAYS and is also active in the publication of INFORMATIONEN UEBER DIE CHARTA [INFORMATION ON THE CHARTER].

Also, the 34-year-old Anna Sabatowa signals a generation change and the passing of the Olympic torch in the opposition environment from the aged to the youth. Her father, Jaroslav Sabata, was once a high Communist Party official, then a prominent personage in the "Prague Spring" and, finally, a "charter" signatory and cofounder of the Committee for Protection of Unjustly Persecuted Persons (VONS). Sabatowa, mother of three children, is the wife of Petr Uhl, who established the "Revolutionary Marxists" group in 1970. In the first great political trial of the 1970's within the framework of Husak's "normalization," Uhl and 16 other defendants were sentenced for "subversive activities" in 1972. At that time, Anna Sabatowa was sentenced to 3 years, Petr Uhl to 4 years in jail.

Shaped in her political orientation by her father through the democratic left, Anna Sabatowa was primarily concerned with publishing the monthly INFORMATIONEN UEBER DIE CHARTA, which has been appearing for almost 8 years now. Her address appears in the masthead. INFORMATIONEN UEBER DIE CHARTA, which is typed and duplicated, publishes the verbatim text of the documents of the civil rights movement, but also contains letters to "charter" from abroad, perhaps from like-minded persons in other East European countries and, for example, letters from supporters of Western peace movements. The publication also runs discussion contributions pertaining to various "charter" documents, as well as hints on important new Samisdat publications.

In summary, it can be said that the appointment of Martin Palous and Anna Sabatowa signifies an important step to the extent that the continuity of the civil rights movement thus appears to be secured and its "drying up" as a result of purely biological superannuation need not be feared.

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SOCIOLOGY GERMAN DEMOCRATIC REPUBLIC

CONCERN OVER CHURCH'S INTERNAL MISSION, CONDITION

Schwerin MECKLENBURGISCHE KIRCHENZEITUNG in German Vol 41 No 5, 2 Feb 86 p 2

[Article by F.W. Rabe: "Homecoming to the Fold of a Weatherbeaten People's Church?"]

[Text] During a visit to Sweden I encountered a unit of the Salvation Army in the center of Stockholm. Uniformed and well-ordered, they sang pious songs and cheerfully distributed leaflets. "Come back to Jesus" was their invitation to the rapidly passing crowd. I felt that this missionary action was both touching and helpless. Was it the fault of the "receivers" that the message was not picked up? I rather thought that the "broadcaster" sent out a program incomprehensible to everyone. The positions were set down too rigidly. Flexibility for a dialogue did not seem part of the plan. So there were those singing, and the others rushing by; a law of nature!

Church in Decline

Whoever travels observantly through our northern regions will notice more and more village churches in poor structural condition or even given up to final decay. One sees hardly any effect of the often fruitless efforts of the pastor in charge and individual parish members to restore "their" church.

Often, all efforts to gather a community of Christians into a parish seem just as fruitless. The damaged church building becomes a reflection of the real parish situation. Whoever sees the missionary task of our church primarily one of restoring all church structures in order to regain the image of the traditionally visible people's church will--like the Salvation Army--sing songs understood by no one, and arousing hardly anyone's interest.

In my opinion, in a speech before colleagues of the "Sign of Atonement Action" in December of last year, Berlin General Superintendent Guenter Krusche rightfully asked the question if we can and want to continue as an "area-covering" church in the GDR. Evidently, it is still difficult for us to be a church in the world of real socialism. Structures and theological

principles--framed by a golden past--which want to continue to form our parish image, lead or mislead us into unwanted isolation. In the last analysis, only Christians willing and capable of dialogue will be able to be effective in missionary work. And all of us have plenty of homework to do in our churches.

Church in Ascendancy

In the area of the Schwerin bishopric (it corresponds to the territory of our Land church), the Catholic Church implements more and more the restructuring of its parish work. Towns are becoming the focal point of religious life with well-equipped churches and an effective team of priests and co-workers. Although implementation is not always easy--there is a lack of priests and lacking strength of co-workers--, the opportunity for the individual to experience parish life, the capability to influence the surrounding world, are planned properly and with an eye to the future. Catholic Christians in most villages focus more and more on the parish in the nearest town. This way also promotes the willingness to engage in missionary dialogue with people who have moved to the periphery of the church and no longer belong to any church.

Even if it is hard on us, should we Evangelical Christians not also be more honest toward ourselves and others? Is an "area-covering" presence of church buildings and church colleagues, who often involuntarily have become "soloists", missionary? Does it radiate something which can sweep along others? I am afraid that it is rather the reverse and is becoming a hindrance: deterring, disappointing, incomprehensible. Especially outsiders (and they are not becoming fewer) interpret the signs of the good ship Land church in this manner.

Isolated and constricted by outdated structures, it is difficult to preach convincingly about hope and encouragement. Do we know the questions confronting us and our church, and do we take them sufficiently seriously? Do we want to approach the people or, subliminally, do we continue to expect their return to the not-so-sheltering fold of a weather-beaten people's church?

To express it with a thought of D. Bonhoeffer's (he would have turned 80 now): it is not the world that should enter the church, it is the church, rather, that must be on its way out into the world. To realize this--if we want it!--, we need partners in dialogue to whom we should listen carefully at first in order not to miss the way into the world. Old preset answers to questions by men in a society alienated from the church are worthless in this endeavor.

The Catholic theologian K. Rahner expresses it well when he says: "The church does not offer us prefabricated houses that only need to be put together and erected in order to live in them in the right manner. It does offer us strength, however, so that we wanderers find the way to God--

without prefabricated houses. It offers us strength to seek this road and to try over and over again, without fear of the future and without being discouraged by the past."

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VARNAI CONTINUES, EXPANDS REASSESSMENT OF MINDSZENTY

Budapest MAGYARORSZAG in Hungarian 16 Feb 86 p 21

[Article by Ferenc Varnai: "The Mindszenty Issue, Mutual Distrust, Obstacle to Constructive Arrangement"]

[Text] Author Jeno Gergely's book "The Catholic Church in Hungary 1944-1971" (Kossuth Publishing House) alleges that in connection with the secularization of schools a segment of the episcopate was deeply distressed by the strained relations between the state and the Catholic Church. We can read that on 18 September 1948 several prelates--Archbishop Gyula Czapik of Eger among them--traveled to the immediate environs of the pope in Rome to get the Holy See to send to Hungary a visitator whose presence would set limits on Mindszenty or rather on the independence of the Hungarian hierarchy. During talks held at the Vatican, it was suggested as food for thought that the pope order Mindszenty to the Vatican as a curial cardinal. Czapik announced: "The situation is at a standstill, and compromise is impossible because neither the primate nor the episcopate is receptive to it."

Discord could be observed within the episcopate as early as the autumn of 1948. Gyula Czapik and Bishop Laszlo Banass of Veszprem publicly criticized the prince-primate and condemned his policy. They urged compromise as opposed to confrontation. "Mindful of the church's situation in the eastern section of Europe," Pope Pius XII nevertheless granted Mindszenty a portion of his sovereign rights, and thus even without Rome's previous approval the Hungarian cardinal was able to institute every ecclesiastical measure he deemed necessary.

Legal Proceedings Against the Primate

In his pastoral letter of November 1948, Mindszenty shifted all responsibility for failure to reach a compromise onto the state and promised to continue the confrontation. Deputy Prime Minister Matyas Rakosi declared on 27 November: "The policy of tolerance has come to an end...If the church does not do something about Mindszenty during the next few weeks, then we will..." The timing was probably related to the fact that the leadership of the Hungarian Workers' Party had placed the accelerated socialist transformation of agriculture on the agenda. The speedup in policy was accompanied by liquidation of the multiparty system and by restriction of democratic opportunities, but elimination of church resistance took the administrative route. On the day after Christmas 1948, the agencies

of internal affairs arrested Mindszenty and several of his colleagues on suspicion of treason, espionage, trafficking in foreign currency, and organizing to overthrow the republic. On 8 February 1949, the People's Tribunal sentenced the primate to life imprisonment. Archbishop Jozsef Grosz of Kalocsa assumed the chairmanship of the episcopate assembly.

The government one-sidedly laid responsibility for the conflict at the church's door, writes the author, even though the conflict fed on mutual distrust: after all, the democratic authorities did not always exhibit proper tolerance of the church's viewpoints. Unfortunately, the reactionary force within the Catholic Church and the battle against religion intermingled more and more. The political trials conducted against the prelates indicated the emergence of a personality cult and a sectarian dogma in ecclesiastical policy at a time when the Catholic Church, led by Pius XII, had committed itself to the Cold War and an anticommunist witch-hunt and had forbidden cooperation with communists on pain of excommunication. Yet it was wrong to declare the Catholic Church the "principal enemy" and to label the battle against clerical reactionaries the principal task. In the strained atmosphere, leaders of both the state and the church made mistakes which prevented the state and the church from entering into a constructive relationship.

It can be established from published documents and affidavits that the accusations in the Mindszenty trial were basically justified. (The public prosecutor brought charges of political conspiracy to overthrow the republic and to restore the monarchy with the aid of foreign currency.)

In the overall very tense and strained domestic situation of that time, however, the danger and seriousness of the case were blown up out of proportion. The propaganda campaign in connection with the trial took aim at intimidating the extremist segment of the clergy which opposed the republic. It is a fact that Mindszenty was an enemy of the Hungarian people's democracy, and a solution was therefore impossible without his removal--a self-protective measure by provoked authorities. The lawlessness was, of course, absolutely inexcusable, as were the methods which wounded the self-esteem and religious persuasion of a significant portion of the faithful.

So talks between the state and the Catholic Church did not take place until the summer of 1950 and only after several rounds, on 30 August, did they result in the signing of an agreement.

Nor Is Imre Nagy Good

The author sums up subsequent developments. On 31 October 1956, the counterrevolutionary officers of armored troops brought Cardinal Mindszenty, who up until then had been kept under restraint, to Budapest. Mindszenty wanted to run his church and the country not from Esztergom but from the primatial palace of Budavar. First he suspended the leaders of the church peace movement from their priestly duties and ordered them to leave the capital city immediately. In a radio speech broadcast from Parliament on 3 November, he made it clear that he wanted to continue from where he had been forced to leave off on Christmas 1948. "It is not necessary for me to break off from my past. By the grace of God, I am the same person I was before my imprisonment." He pronounced the events a "national

struggle for freedom" in order to stress the anti-Soviet nature of what had happened and in order to deny that they were aimed at reform of the socialist system. He warned the followers of Imre Nagy that if they persisted in describing the change as "national communist" in character, "still another piece of evidence" could crop up, i.e., the struggle to be conducted without them and against them. Indeed, he even demanded that the revisionists led by Imre Nagy be taken to task: for what had happened in the past, he labeled them "criminals," as well as those against whom they had launched the struggle. If in the meantime armed suppression of the counterrevolution does not occur, then at his urging and with his blessing the followers of Imre Nagy will be driven from power, and complete and overt restoration of the capitalist social order will begin. He made no secret of his goal to reestablish private ownership and to nullify the nationalization which had occurred since 1945. As he put it: "We intend to be a people and a country which are properly and evenhandedly restricted in social interests, which rest on private ownership, and which have an exclusively national cultural spirit."

Mindszenty's speech did not strengthen the "national unity" which he had urged. On the contrary, it contributed in large degree to elucidation of the fronts. It helped many persons undecided up until then--priests and parishioners among them--to understand the essence and actual course of events.

At daybreak on 4 November 1956, the cardinal fled from his responsibilities to the American embassy in Budapest where he was granted political asylum.

As Rejected Politician

Serious talks between the Holy See and representatives of the Hungarian government got under way in the summer of 1970. Prior to this, the Hungarian episcopate had asked the pope to rescind the 1957 decree forbidding priests from assuming their representative functions and fulfilling their political roles, to place the right to grant approval back in the hands of Hungarian bishops, and to repeal the measures taken against participants in the church peace movement. On 13 October 1971, the Vatican came to a favorable decision. However, the government announced that a request for prior approval of the Presidential Council was necessary only for filling ecclesiastical posts which depend on papal appointments, but that prior approval of the chairman of the State Office of Church Affairs was needed for filling a post which depends on the appointment by diocesan bishops and a few other ordinaries. Prior state approval for filling other ecclesiastical posts was gradually modified: mere notification is necessary for a fraction of them, but nothing is necessary for most.

At the same time, a solution was found to the Mindszenty problem. Early in May of 1971, the Holy See offered its solution: allow Cardinal Mindszenty to leave Hungary and travel to the Vatican, allow him to retain the rank of archbishop until the seat of archbishop of Esztergom is permanently filled and, finally, have the state rehabilitate him after he freely bids farewell to his parishioners. The last two conditions were unacceptable to the government. The talks got under way early in September; the Hungarian state was represented by Undersecretary of State Imre Miklos. The agreement signed on 9 September laid down the conditions for departure: the government permits the cardinal to travel to the Vatican, and the Vatican assures the government that after his departure Mindszenty will refrain

from meddling in the life of the Hungarian Catholic Church in any manner and from issuing unfriendly statements about--or engaging in hostile activities against--the Hungarian People's Republic and its government. (Mindszenty did not comply with this requirement, nor did the Vatican.) The Presidential Council granted Mindszenty a pardon and discontinued the criminal proceedings instituted against him in 1962 for what he had done in 1956. The government expressed its hope that Mindszenty would retire at the age of 80 in March of 1972 and that the seat of the archbishop of Esztergom would fall vacant.

Mindszenty was in a tight corner because his person had become a nuisance to the United States. On 28 September 1971, he finally left the country. The high priest, who had not altered his earlier views during the decade and a half he spent in the American embassy, was forced to leave his homeland as a rejected politician. When he turned 80, Paul VI in a letter asked the cardinal for his resignation. Mindszenty refused. On 18 December, the pope was compelled to declare the seat of archbishop of Esztergom canonically vacant, i.e., to "retire" Mindszenty.

The final obstacle to completion of the Hungarian Catholic Church's hierarchy was removed. At the start of 1974, titular bishop Laszlo Lekai was made apostolic regent of Esztergom. Then on 10 February 1976, after the prior approval of the Presidential Council, Lekai was appointed archbishop of Esztergom by Pope Paul VI.

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